



THE
Fifty-seventh
TEXAS LEGISLATURE
A Review of Its Work

TEXAS STATE LIBRARY
LEG. REF. DIV.
AUSTIN - TEXAS



INSTITUTE OF PUBLIC AFFAIRS
THE UNIVERSITY OF TEXAS

INSTITUTE OF PUBLIC AFFAIRS

Executive Committee

EARNEST F. GLOYNA, *Professor of Civil Engineering*
CORWIN W. JOHNSON, *Professor of Law*
HARRY E. MOORE, *Professor of Sociology*
CAREY C. THOMPSON, *Professor of Economics*
WILFRED D. WEBB, *Associate Professor of Government*
CHARLES T. ZLATKOVICH, *Professor of Accounting*

Staff

STUART A. MACCORKLE, *Director*
LYNN F. ANDERSON, *Assistant Director*
WENDELL M. BEDICHEK, *Research Associate*
JACK L. ANDRUS, JR., *Research Associate*
JACK A. DAVIS, *Research Assistant*
DAVID W. TEES, *Research Assistant*
DARTHULA WILCOX, *Librarian*
YSLETA F. BIRDSONG, *Administrative Secretary*
CAROL CRAFT, *Secretary*
MARY ALLBRITTON, *Clerk-typist*

THE INSTITUTE OF PUBLIC AFFAIRS is one of the research, training, and service units operated by The University of Texas. It is the outgrowth of its predecessors, the Bureau of Municipal Research and Reference, which functioned from 1913 to 1925, and the Bureau of Municipal Research, which carried on an active program of research in the field of local government from 1934 to 1950.

The functions of the Institute are: (1) to conduct research in problems having significance to governmental units and agencies, especially state and local, and to publish studies based upon such research; (2) to serve as a clearing house and information center for persons interested in the analysis and solution of current public problems; (3) to encourage and facilitate faculty and graduate student research in the social sciences; (4) to administer the master's degree program in public administration; (5) to carry on a program of in-service training for public officials of the state; and (6) to furnish consultative services to public officials, governmental units, and citizens in the solution of public problems.

PUBLIC AFFAIRS SERIES NUMBER 49

*The Fifty-seventh
Texas Legislature*

A REVIEW OF ITS WORK



INSTITUTE OF PUBLIC AFFAIRS

AUSTIN : THE UNIVERSITY OF TEXAS : 1962

Copyright 1962 by

BOARD OF REGENTS
THE UNIVERSITY OF TEXAS

Price \$1.00

PRINTED BY THE UNIVERSITY OF TEXAS PRINTING DIVISION
AUSTIN, TEXAS

Foreword

Since 1953, the Institute of Public Affairs has published a brief summary of the work of the Texas Legislature shortly after its adjournment. In view of the continued interest in and uses made of these publications, this has been done again for the Fifty-seventh Legislature which met in one general and three called sessions during the period from January 10, 1961 to February 1, 1962.

Like its predecessors in this series, this monograph is a brief, factual summary of the major pieces of legislation passed by the Texas Legislature during 1961 and 1962. Mention is also made of major items of legislation which were considered but failed of passage, constitutional amendments proposed for ratification by the electorate, and interim studies authorized and requested by the Legislature. Throughout all sections of this summary, the legislation is analyzed and discussed from an objective point of view, and neither the writers, this Institute, nor The University take any position either for or against the legislative proposals and enactments which appear herein.

Preparation of this study was a joint responsibility of Messrs. Wendell M. Bedichek and Lynn F. Anderson of the Institute staff. Mr. Bedichek, Research Associate, prepared the text except for the sections on Appropriations and Taxation and Fiscal Administration which were done by Mr. Anderson, Assistant Director. Both Mr. Bedichek and Mr. Anderson collaborated on the final revision after their respective contributions were merged.

In making this study, we have had the assistance of several persons whom we should recognize. We are especially grateful to Miss Doris Connerly, Director of Legislative Reference, Texas State Library, and Mr. James R. Sanders, Assistant Director of Legislative Reference, for providing pertinent data on all of the legislative sessions included in this volume. In addition, Miss Connerly and Mr. Sanders both read the final manuscript and offered valuable suggestions for its improvement. Miss Sybil Dickinson of the Secretary of State's office and Mr.

John Goldsum of the Governor's office also provided information. For this, we wish to extend our appreciation. Finally, we wish to thank Mr. Walter E. Long of the Texas Legislative Service, Austin, for his assistance in supplying information on various bills passed by the Legislature.

STUART A. MACCORKLE
Director

Austin, Texas
July, 1962

Contents

Introduction	1
Bills and Resolutions Enacted	3
Appropriations	3
Taxation and Financial Administration	8
State Administration	16
Regulation of Business and Professions	19
Insurance and Securities	21
Banking and Credit	23
Education	24
Counties	29
Municipalities	30
Courts, Court Procedure, and Criminal Law	32
Elections	35
Water	36
Health and Welfare	38
Highways and Motor Vehicles	40
The Legislature	41
Other Laws	42
Proposed Constitutional Amendments	44
Bills and Resolutions Vetoed	46
Interim Studies	49
Bills and Resolutions Not Enacted	49
Appendix A—Special Districts Created by the Fifty- seventh Legislature	54
Appendix B—Interim Studies Authorized by the Fifty- seventh Legislature	57

THE FIFTY-SEVENTH TEXAS LEGISLATURE:

A REVIEW OF ITS WORK

Introduction

THE FIFTY-SEVENTH TEXAS LEGISLATURE met for a total of 205 days in one regular and three called sessions during 1961 and 1962. Operating under a 1960 constitutional amendment which limited the term of regular sessions to 140 days, the Legislature began its tenure in the regular session on January 10, 1961 and adjourned on May 29, 1961. The first called session of thirty days' duration was held from July 10 to August 8, and it was followed by a second called session from August 10 to August 14 and a third called session which met from January 3 to February 1, 1962. Thus, for the second consecutive biennium—and the second time since 1936—three called sessions were held.

A total of 2,182 House and Senate bills and joint resolutions were introduced in the four sessions. Approximately one-third of these—710—were passed and sent to the Governor; he vetoed 15 of them, leaving 681 to become law. A total of 107 amendments to the Texas Constitution were introduced, and a record number of 14 will appear on the November, 1962 ballot for approval or disapproval by the voters. A breakdown of the bills and joint resolutions introduced and enacted by the Legislature in each session appears on page 2.

The problem of finding adequate revenue with which to finance Texas state government dominated the 1961 legislative scene. As in the 56th Legislature, the regular session failed to resolve the financial difficulties of the state, and the wide and intensive tax hunt was not ended until the first called session passed a general sales tax, the first in Texas history. The new sales tax was estimated to yield approximately \$320 million during the 1961–63 biennium, and, together with other new revenue amounting to \$30 million and existing sources, was considered adequate to retire the General Revenue Fund deficit and finance a record \$2.74 billion appropriation bill for the

SUMMARY OF BILLS AND JOINT RESOLUTIONS INTRODUCED AND ENACTED, FIFTY-SEVENTH TEXAS LEGISLATURE

General and Called Sessions
1961-1962

	House		Senate	
	Introduced	Enacted	Introduced	Enacted
REGULAR SESSION				
Bills	1,134 ^a	316	480	235
Joint Resolutions	83 ^b	6	25	8
FIRST CALLED SESSION				
(1961)				
Bills	166 ^c	34	69	28
SECOND CALLED SESSION				
(1961)				
Bills	8	1	4	2
THIRD CALLED SESSION				
(1962)				
Bills	113	30	102	50
Totals	1,502	387^d	680	323^e

^a The last bill introduced was numbered 1,136; however, there were no House Bills numbered 618 or 629.

^b One did not refer to the Texas Constitution, but dealt with the amendment to the Constitution of the United States concerning the District of Columbia.

^c The last bill was numbered 166; however, bills numbered 121 and 124 were never actually introduced.

^d Includes nine House Bills by the Governor.

^e Includes six Senate Bills vetoed by the Governor.

biennium on a balanced basis. The Governor allowed the bill to become law without his signature.

Other legislation, while overshadowed by the revenue struggle, was also passed. Such bills as state representative and senatorial redistricting, the pay raise for teachers, reorganization of water resource administration, the escheat law, the Sunday merchandising law, and several important constitutional amendments are of notable significance and will be discussed in subsequent sections of this summary. Bills of importance that were not enacted, such as small loan regulation,

codification of the state's juvenile laws, Congressional redistricting, and municipal annexation will also be mentioned briefly.

Most of the Governor's more important legislative proposals were passed in one form or another. These items included greater appropriations for higher education, correctional institutions, state hospitals, and special schools; implementation of the 1958 amendment authorizing medical aid for welfare recipients; escheat legislation; a pay raise for teachers, several water bills, farm-to-market road maintenance; increased unemployment compensation, and full-time salaries for the Insurance Commission. The Governor also made several proposals for retiring the state deficit and financing the increased appropriations. These, along with small loan regulation, tighter lobby control, and some supplemental appropriation items, met with less success.

Bills and Resolutions Enacted

APPROPRIATIONS

During recent decades the general appropriation bill enacted by each session of the Texas Legislature has been larger than the preceding one and has established higher levels of state spending for the ensuing two-year appropriation period. The general appropriation bill enacted by the Fifty-seventh Legislature (S.B. 1, 1st C.S.)¹ was no exception to this trend. It authorized a record spending of \$2.74 billion during the biennium, an increase of 15 per cent over the level of spending during the 1959–1961 biennium. Of this amount, \$1,359,007,210 was appropriated for the 1961–62 fiscal year and \$1,383,698,438 for the 1962–63 fiscal year. A breakdown of each of these annual totals, by appropriation articles used in the bill, is given in the following table.

¹ The following abbreviations are used throughout this summary: H.B. for House Bill; S.B. for Senate Bill; H.J.R. for House Joint Resolution; H.C.R. for House Concurrent Resolution; H.S.R. for House Simple Resolution; S.R. for Senate Resolution; and C.S. for Called Session.

ALL FUNDS APPROPRIATIONS
STATE OF TEXAS
Fiscal Years 1961-62 and 1962-63

Functions/Agencies	1961-62	1962-63
Judiciary	\$ 4,777,272	\$ 4,752,406
State Hospitals and Special Schools..	56,174,198	54,836,106
Legislative, Executive, and Administrative Agencies	682,139,065	691,122,479*
Education	614,417,075†	630,113,447†
Legislature	1,499,600	2,874,000
Annual Totals	\$1,359,007,210	\$1,383,698,438
Biennial Total		\$2,742,705,648

* Includes \$15 million appropriation for farm-to-market road construction which was vetoed by Governor Daniel but later enacted by the 3rd Called Session in January, 1962.

† Includes teacher salary increase, other Hale-Aikin school improvements, and increased appropriations for the Teacher Retirement System passed by the Legislature after the general appropriation bill was enacted. The estimated biennial cost of these programs is \$147.5 million.

As indicated in the accompanying tabulation of General Revenue Fund Appropriations, only \$398,322,825—or 14.5 per cent of the \$2.74 billion total appropriation for the biennium—flows through the General Revenue Fund. The remainder is channeled through and accounted for in numerous special revenue funds which receive direct earmarked taxes, federal grants in aid, or priority allocations of state revenue by existing statute. In terms of the categories used in the general appropriation bill, this means that the General Revenue Fund finances all expenditures of the judiciary, state hospitals and special schools, and the legislature, but only a portion of the remaining two categories—"Legislative, Executive, and Administrative Agencies,"²

² The term "Legislative" appears in this appropriation category because this section of the bill includes appropriations for such legislative agencies as the State Auditor, Legislative Council, and Legislative Budget Board which operate on a full-time year-round basis.

GENERAL REVENUE FUND APPROPRIATIONS
STATE OF TEXAS

Fiscal Years 1961-62 and 1962-63

Functions/Agencies	1961-62	1962-63
Judiciary	\$ 4,777,272	\$ 4,752,406
State Hospitals and Special Schools	56,174,198	54,836,106
Legislative, Executive, and Administrative Agencies	44,551,107	42,349,972
Public Education	92,557,116	93,951,048
Legislature	1,449,600	2,874,000
Annual Totals	\$199,559,293	\$198,763,532
Biennial Total		\$398,322,825

and "Education." For some agencies in the "Legislative, Executive, and Administrative Agencies," such as the Highway Department and the Department of Public Welfare, a large share of the appropriation is derived from federal aid. Such aid is not only accounted for separately from the General Revenue Fund, but since it may change in amount during the course of the biennium the appropriation for such agencies is not actually limited to the dollar amount shown in the appropriation bill. In the case of appropriations for "Education," a large share of the funds involved are for elementary and secondary education and are accounted for in the Available School and Foundation School Funds. Most of the appropriations from the General Revenue Fund in the Education section of the appropriation bill are those for higher education.

On the whole, the appropriations enacted by the Fifty-seventh Legislature represent a continuance of substantial financial support for the major functions of state government and include significant increases for a number of smaller agencies and programs. Of the five appropriation categories shown in the tabulations above, the largest percentage increase over the 1959-61 level of spending was for the Legislature. This increase, amounting to 51 per cent,³ is attributable to the fact that

³ Percentage increases given in this section are from *Fiscal Size-Up—Texas State Services* (Austin: Legislative Budget Board, November, 1961), 52 pp.

the 1961-63 biennium will be the first full biennial period when legislative salaries will be in effect. Annual salaries of \$4,800 for legislators were approved by constitutional amendment in November of 1960 and were therefore paid only during the period from November, 1960 through August, 1961 in the preceding biennium. In connection with this section of the appropriation bill it should also be noted that this is the first time that appropriations have been made in the biennial appropriation bill for the legislature itself. In prior years, the biennial appropriation bill did not include expenditures applicable to the legislative sessions during that biennium. For example, the Fifty-sixth Legislature's biennial appropriation bill enacted in 1959 did not provide appropriations for the regular session which met in 1961. As a consequence, that legislature and each of its predecessors found itself in the position of having to pass special appropriations to finance legislative expenditures as one of the first actions upon convening. Under the present appropriation bill with annual salaries in effect, anticipated legislative expenses of \$4.37 million for the biennium have been provided for, and the Fifty-eighth Legislature which will meet in 1963 is financed without any further appropriation action on its part.

Appropriations for all public educational programs financed by the state during the 1961-63 biennium are 26.5 per cent larger than the spending level of the preceding biennium for these purposes. The largest portion of this increase is attributable to appropriations necessitated by the so-called Hale-Aikin program for public school improvement. Under this program (S.B. 1, 2nd C.S.), the minimum pay of public school teachers was increased by \$810 per year, from \$3,204 to \$4,014, and state allowances for transportation and other operating costs of local school districts were also increased. Associated with the higher state costs of the Hale-Aikin salary increases was a substantial increase in the state's share of contributions toward the Teacher Retirement System. It should also be noted that the Legislature in H.B. 2 (2nd C.S.) deferred to the 1962-63 fiscal year the allocation of the state's matching contributions to the Teacher Retirement System which would normally have been made during the 1961-62 fiscal year. The purpose of this action was to permit accumulation of new revenue in the General Fund during the 1961-62 fiscal year to ease the General Revenue Fund deficit.

In addition to increased financial support of the public schools, the appropriation bill provided more money for the state's institutions of

higher education and its coordinating body, the Commission on Higher Education. These appropriations reflect anticipated enrollment increases in the state's colleges and universities, faculty and staff salary increases to improve the quality of instruction, and the cost of certain new facilities such as the San Antonio Medical Branch of The University of Texas, the Maritime Academy of Texas A&M College, and Midwestern University as a new four-year college in the Texas system of higher education. Growth in junior college enrollments also required increases in state grants made to junior colleges operated by local tax jurisdictions.

Total appropriations for state hospitals and special schools in the 1961-63 biennium were increased by 21.6 per cent over the previous biennial level of spending. These higher levels of expenditure reflect the increased incidence of mental illness requiring treatment at public expense, educational needs for the mentally retarded, and correctional programs for youth. Units of the hospital and special school system which received the larger percentage increases over prior spending levels included outpatient clinics, the Psychiatric Institute for Research and Training, and the schools for mentally retarded. In the case of the schools for mentally retarded persons, appropriations included outlays for buildings and permanent improvements as well as increased costs of operations. Dollarwise, the largest share of total appropriations in the "Hospitals and Special Schools" category goes to mental hospitals and geriatric homes, and this amount increased by 11.5 per cent over the 1959-61 level of spending. Financial support of youth correctional programs was increased substantially, both by increased outlays for the several youth correctional schools operated by the state and for the Central Office of the Texas Youth Council. A significant but small appropriation was also made to the Youth Council for salaries of parole officers in a new program of juvenile parole supervision.

Appropriations under Article III of the appropriation bill, "Executive, Legislative, and Administrative Departments and Agencies," were increased by 6.9 per cent over expenditures in the 1960-61 biennium. Although this is not a large over-all percentage increase, it does represent a substantial amount of money, \$90 million, and it includes sizable percentage increases for a number of state agencies. Among the latter are the Comptroller of Public Accounts (primarily for administration of the new sales tax), the Board of Control, the

Board of Pardons and Paroles, the State Parks Board, the Industrial Commission, the Soil Conservation Board, and the Texas Water Commission. As usual, the largest single appropriation under Article III is to the State Highway Department for construction and maintenance of state roads and highways. Although the total highway appropriation for the 1961–63 biennium did not anticipate any increase over that in the 1959–61 period, a significant change was made in the expenditure authorization for farm-to-market roads.

Under the so-called Colson-Briscoe law enacted in 1949, the state made continuing appropriation of \$15 million per year from state general revenues for the construction of farm-to-market roads. As the mileage of these highways increased in recent years, outlays for their maintenance increased and had to be provided from funds needed to maintain properly the state's primary highway system. To rectify this imbalance, Governor Daniel vetoed the \$15 million construction appropriation for the fiscal year beginning September 1, 1962 as included in the Regular Session appropriation bill and submitted an alternative proposal to the Third Called Session in January, 1962 to provide state funds for maintenance of these roads. The Legislature responded by enacting S.B. 1 (3rd C.S.).

Under S.B. 1 (3rd C.S.) the vetoed \$15 million appropriation for construction for the 1962–63 fiscal year was restored. The law re-enacted the \$15 million permanent appropriation for construction, with the additional stipulation that, together with such other funds as are available to the State Highway Department, not less than \$23 million per year must be used to construct additional miles of newly designated farm-to-market roads. Finally, funds were authorized for farm-to-market road maintenance by permitting up to one-half of the surplus funds remaining after road bond assumption obligations had been met from one-fourth of the net revenue from the state motor fuel tax to be spent for this purpose.

TAXATION AND FINANCIAL ADMINISTRATION

As indicated earlier, the provision of new tax revenue to finance expanded appropriations was the most urgent and time-consuming task which faced the regular session of the Fifty-seventh Legislature. When the Legislature convened, the deficit in the General Revenue Fund was officially predicted by the Comptroller of Public Accounts

to be \$63 million at the start of 1961–63 biennium, and additional tax revenues in excess of \$250 million for the biennium were indicated. Although the Legislature devoted a major part of its energies to solving this gigantic tax problem, agreement on a new tax bill was not reached during the regular session, and it was not until the final day of the First Called Session—August 8, 1961—that a tax bill was finally passed. The bill passed at that time (H.B. 20, 1st C.S.) represented a departure from the previous tax policy of the state by providing for a general sales tax and several smaller tax levies estimated to yield a total of \$350 million in new revenue for the 1962–63 biennium. The Governor did not sign the bill, but permitted it to become law without his signature. It went into effect on September 1, 1961.

The Sales Tax. Although the new tax on retail sales is called a "Limited Sales, Excise, and Use Tax" in H.B. 20, its scope and structure is such that it is, in fact, a general sales tax and made Texas the thirty-sixth American state to impose such a tax. The tax is levied at the rate of 2 per cent of the sale price of tangible personal property sold at retail in the state. Exempt from the tax are the following:

- (1) Items which the state is prohibited from taxing under the United States and Texas Constitutions;
- (2) Items already taxed by the state (natural gas, oil, sulphur, motor vehicles, cigarettes, cigars and tobacco products, motor fuel, cement, alcoholic beverages, and telephone and telegraph service);
- (3) Water;
- (4) Ingredients, component parts, and catalytic agents used or consumed in manufacturing;
- (5) Wrapping, packing, packaging supplies and materials;
- (6) Certain containers;
- (7) Meals and food products for human consumption sold to students and teachers of an elementary or secondary school during the regular school day;
- (8) Shipments to points outside of Texas and sales to common carriers where the property is used by such carrier outside of the state;
- (9) Sales to the U. S. Government and its instrumentalities, the State of Texas, political subdivisions of the state, and non-profit religious, educational, charitable, and eleemosynary organizations;
- (10) Occasional sales;
- (11) Contracts and bids executed prior to September 1, 1961;

- (12) Property on which a sales tax has been paid in another state (exempt from use tax provision of Texas law);
- (13) Items previously taxed under either sales or use tax provisions of H.B. 20;
- (14) Food and food products, except for restaurant meals and beverages which are taxable;
- (15) Prescription drugs, medicines, and prosthetic devices;
- (16) Feed, seed, plants, and fertilizer for plants the products of which are food for human consumption;
- (17) Farm machinery;
- (18) Sales for resale, leasing, or renting;
- (19) Ships and vessels with a displacement of 50 tons or more;
- (20) Aircraft sold to licensed carriers, to foreign governments, and to non-residents;
- (21) Gas and electricity used for industrial, manufacturing, agricultural and irrigation purposes;
- (22) Railroad rolling stock, including fuel and supplies used in their operation;
- (23) Books consisting wholly of religious writings;
- (24) Outer wearing apparel, the retail price of which is less than \$10 per article.

In conformity with the system generally used in other states for similar taxes, the Texas sales tax is collected from the retail purchaser on a bracket system designed to average out at 2 per cent of total retail sales. The bracket system for collections is as follows:

<i>Amount of Sale</i>	<i>Tax</i>
\$.01 to \$.24	None
.25 to .74	\$.01
.75 to 1.24	.02
1.25 to 1.74	.03
1.75 to 2.24	.04
	Plus one cent for each additional 50 cents of purchase or fraction thereof.

The law specifically prohibits the use of tokens or stamps and stipulates that the retailer cannot absorb or assume the tax in his selling price.

Administration of the sales tax is placed in the office of the Comptroller of Public Accounts and is carried out by means of tax permits and quarterly returns filed by retailers. All sellers of tangible personal

property at retail must secure a Sales Tax Permit from the Comptroller of Public Accounts and display it at their places of business. Tax returns by retailers are due on or before the last day of the first month following the end of each calendar quarter (January 31, April 30, July 31, and October 31). The retailer computes his tax due on the basis of 2 per cent of gross receipts from total sales of taxable property, including those sales less than 25 cents in value which are exempt. As a reimbursement for collecting the state sales tax from consumers, the retailer is allowed to deduct 1 per cent of the taxes due on each return. However, if the retailer makes a prepayment of his estimated tax liability before the fifteenth day of the second month of the quarter, he may deduct an additional 2 per cent of the tax otherwise due.

In addition to providing this current collection procedure for the sales tax, H.B. 20 also confers broad enforcement powers upon the Comptroller of Public Accounts. These include promulgation of rules and regulations, authority to specify and examine required books and records of retailers, and authority to make deficiency and jeopardy determinations in appropriate cases. Specific penalties are provided for failure to report or pay taxes when due, and appropriate remedies are provided for collecting delinquent taxes by suit, writs of attachment, and seizure and sale of a delinquent taxpayer's personal property.

All revenue collected from the sales tax, including interest and penalties, is to be credited to the General Revenue Fund. For the 1961-63 biennium, it is estimated that this revenue will amount to approximately \$320 million.

Corporation Franchise Tax. H.B. 20 continued in effect, through 1963, the additional 22.2 per cent corporate franchise surtax which had been scheduled to expire in 1961. The total franchise tax rate under the extension will continue to be \$2.75 for each \$1,000 of taxable base (stated capital, surplus, and undivided profits).

A second change in the corporate franchise tax pertains to the allocation formula used by corporations engaged in interstate business. Through the years, such corporations have based their Texas franchise tax liability on the basis of the relationship of gross receipts from business done in Texas to total gross receipts of the company. This basis was modified slightly by H.B. 20 in that the amount to be included in total gross receipts of the company from the sale of investments and capital assets will be limited to the net gain from such sales.

Previously, the total sales price of such security and asset sales had to be included in gross receipts.

Coin-Operated Machine Tax. H.B. 20 sets a uniform tax of \$10 per year on all coin-operated machines. Previously, the tax rate varied from \$5 to \$60 per year, depending upon the type of machine and the value of coins required to operate it. The new law also adds to the list of previously exempt machines vending machines which dispense food, confections, beverages, merchandise, and stamps. No revenue change resulted from these rate modifications.

Drivers' License Fees. License fees paid by motor vehicle operators were increased by 50 per cent. The new two-year rates are: chauffeur's license, \$6; commercial operator's license, \$4.50; and operator's license, \$3.00. The amended law also allocated part of the revenue from such fees to the General Revenue Fund. Increased biennial revenue of \$7.2 million is anticipated from these rate changes.

Dedicated Reserve Gas Tax. One of the focal points of interest in the tax deliberations and decisions of the Fifty-seventh Legislature was the attempt to replace the unconstitutional severance beneficiary tax levied by the Fifty-sixth Legislature in 1959 with a valid tax which would fall primarily upon reserves of natural gas dedicated for delivery in other states by long-range pipelines. The tax enacted as a part of the 1961 tax package is called a "Dedicated Reserve Gas Tax" and is designed to obtain a minimum tax return for the state of one cent per thousand cubic feet (MCF) on each MCF of gas produced and saved within the state. It is imposed as an occupation tax on the business of producing gas as a severance beneficiary, and is levied at the rate of one cent per MCF less the amount of tax paid the state under the existing severance tax on natural gas which is levied at the rate of 7 per cent of market value. The effect of this rate structure is to impose a larger dedicated reserve tax upon gas marketed under contracts where the market price is low, and since much of the natural gas marketed through long pipe lines comes from reserves contracted for at comparatively low prices, a large portion of the tax will fall there. Where the market price of gas is 14.285 cents per MCF or higher, no additional tax would be paid under this law because the yield under the regular severance tax (14.285 cents times 7 per cent) would equal the specified minimum return of 1 cent per MCF.

Administration of the dedicated reserve tax is placed under the Comptroller of Public Accounts. The tax is collected from severance

beneficiaries on the last day of each calendar month, with each tax return being applicable to gas produced during the preceding calendar month. Revenue from this tax, estimated at \$3.3 million for the biennium, is allocated in a manner similar to that used for other severance taxes levied by the state. The exact allocation is: (1) .5 of 1 per cent for administration and enforcement; (2) one-fourth of net revenue to the Available School Fund; (3) three-fourths of net revenue to the Omnibus Tax Clearance Fund for distribution to the Medical Assistance Fund.

As was anticipated at the time of its passage, this tax has been contested in the courts, and its constitutionality is uncertain at the time of this writing.

Other H.B. 20 Provisions. In addition to the foregoing tax levies, H.B. 20 made some additional changes affecting state tax and fiscal administration. One required that any balance remaining in the Motor Fuel Tax Fund on August 31 of each fiscal year is to be credited to the Available School Fund instead of the following September as had been done formerly. The practical effect of this was to increase the balance potentially available in the General Revenue Fund at the end of each fiscal year. A similar provision with the same purpose is a new requirement that revenue in excess of current biennial appropriations which remain in certain operating funds after the fifth working day of each month are to be transferred to the General Revenue Fund.

Finally, several important changes applicable to tax returns and penalties and interest on various state taxes were made in the interest of uniformity and efficiency of administration. A new article of general applicability specifies that state tax returns and payments are considered paid on time if they bear a postmark no later than the due date. For several states taxes—severance, sales, gross receipts, franchise, and hotel—a uniform system of penalties and interest for delinquent taxpayers was set, as follows: Payments made within 30 days of due date, 5 per cent penalty; payments 31 to 60 days late, 10 per cent penalty; payments more than 60 days late, 10 per cent penalty plus interest at the rate of 6 per cent per annum.

Other Legislation. In addition to the major tax legislation contained in H.B. 20 (1st C.S.), several additional laws in the field of taxation and financial administration were enacted. Two of these were designed to change the legal statement of tax incidence so that individual taxpayers could deduct certain state tax payments made from their fed-

eral income tax returns. H.B. 86 specified that the incidence of the state cigarette tax was on the consumer, and H.B. 2 (1st C.S.) did the same for the tax on cigars and tobacco.

S.B. 37 adds non-profit water supply and sewer service corporations organized on behalf of cities and towns to the list of organizations exempt from paying the state's corporation franchise tax.

H.B. 360 amended the procedure under the corporate franchise tax by requiring that the tax report and payment be made simultaneously prior to May 1 of each year. Previously, the report was due between January 1 and March 15, while the tax payment was not due until May 1. H.B. 360 also eliminated the requirement of filing a duplicate copy of the tax report and authorized the Comptroller to enter into "exchange of information" agreements with tax officials of other states or the federal government.

H.B. 122 provides that the lien for taxes levied under Title 122A of the statutes (state taxes other than property) must be recorded with the county clerk before it can become a valid lien on real estate. It also provides that the lien is not valid against any mortgagee, holder of a deed of trust, purchaser, pledgee, or judgment creditor who holds a title, lien, or other interest prior to filing of the tax lien notice.

The procedure in filing suit for state taxes paid under protest was simplified by S.B. 257. Where additional payments under protest are made after the original suit has been filed, the new law permits a single amendment of the original petition five days prior to trial of the case.

H.B. 638 exempts real estate dealers from the \$12 per year state occupation tax on brokers and factors.

S.B. 225 redefines the tax exemption of church property used as a dwelling place of the church ministry. The new law specifically permits a study, library, or office to be included in the exempt dwelling and defines church ministry to include larger units of church organization than individual churches or parishes.

S.B. 327 adds three types of business to the list of firms previously exempt from payment of the state chain store tax. These are: (1) places of business used solely by manufacturers, manufacturer's representatives, wholesalers, or jobbers as showrooms or display rooms; (2) sellers of agricultural produce in municipal market spaces which are rented on a daily basis; (3) places of business operated by non-profit religious and charitable institutions other than religious bookstores which were previously exempt.

H.B. 639 exempts personal property of public charities from property taxation. Previously, only their real estate was exempt.

Two separate statutes dealt with administration of the state motor fuel tax. S.B. 10 amends the motor fuel tax law by providing procedures for reporting and administration of aircraft fuel refunds. This law also provides a new allocation of 25 per cent of unclaimed aircraft fuel tax refunds to the Texas Aeronautics Commission Fund for use in administering the programs of the Texas Aeronautics Commission. H.B. 129 eliminated the requirement of notarization on claims for motor fuel tax refunds.

In its continuing efforts to simplify the state's fund structure and fortify the revenue capabilities of the General Revenue Fund, the Legislature passed several statutes abolishing minor funds. Among the latter which were abolished and had their balances transferred to the General Revenue Fund were the Natural and Casinghead Gas Audit Fund (H.B. 392), the Highway Motor Fuel Audit Fund (H.B. 393), the Cigarette Tax Audit Fund (H.B. 394), the Vending Machine and Other Occupational Tax Enforcement Fund (H.B. 517), and the Radio and Television Administration Fund (H.B. 624).

S.B. 473 allocates to the Oil and Gas Enforcement Fund such portion of the revenue from the state's gross receipts tax on natural gas utilities in the Gas Utilities Fund as is required to administer state laws relating to production and conservation of natural gas. Formerly, all of the balance in the Gas Utilities Fund reverted directly to the General Revenue Fund.

H.B. 38 increased the state revenue allocations from the Omnibus Tax Clearance Fund to the Blind Assistance Fund from \$1,350,400 to \$1,400,000 per year and increased allocations to the Old Age Assistance Fund from \$40,000,000 to \$41,700,000 per year.

A more diversified investment program for the state's Permanent School Fund was authorized by S.B. 165. Patterned after the recent investment program for the Permanent University Fund, this law authorizes the State Board of Education to invest a part of the fund in corporate stocks and bonds and in first lien real estate mortgages insured or guaranteed by the United States Government. Not more than 50 per cent of the fund can be invested in corporate stocks and bonds at any given time, and at least \$400 million of the fund must be invested in municipal and government bonds. The purpose of this change is to increase the Permanent School Fund's earnings which,

after transfer to the Available School Fund, become available for financing current educational expenditures.

Two new funds were created in the State Treasury by the two escheat bills enacted by the Fifty-seventh Legislature. One of these is the "State Conservator Fund" created by H.B. 1 (3rd C.S.) for dormant deposits escheated from banks and savings and loan institutions. The State Conservator Fund is to receive all funds from accounts of unknown depositors which escheat to the state under this law. The State Treasurer is authorized to set up a revolving expense account out of this fund in the amount of \$25,000, after which a balance of \$250,000 is to be maintained in the fund to pay subsequent claimants. All receipts above \$250,000 are to be transferred to the Available School Fund.

Under H.B. 5 (1st C.S.), applicable to persons and organizations other than banking institutions, there is created the "Escheat Expense and Reimbursement Fund" in the amount of \$100,000. One-half of this fund is reserved for reimbursement of claims by rightful owners, and one-half is set aside for expenses incurred by the State Treasurer and Attorney General in enforcement of the escheat statute.

STATE ADMINISTRATION

Position Classification. The most important bill affecting administration of state government as a whole was H.B. 189, the Position Classification Act of 1961. Citing the fact that state tax dollars have been spent "without a systematic plan for assisting State agencies and the Legislature in equitably setting and paying salaries and wages to employees that are commensurate to the work performed," the Legislature established the first general position classification plan for Texas state government. This plan is the result of four years of study and attempts to insure that employees performing similar functions, and with similar qualifications, are paid at substantially the same rate. It is anticipated that the plan will produce a higher level of employees and performance in the future, as well as correct existing inequities.

All regular, full-time, salaried positions in the state government are included in the law, with these main exceptions: (1) judges, district attorneys and assistant district attorneys; (2) jobs in the hospital and special schools systems; and (3) agencies of public and higher educa-

tion (except the Central Education Agency and the Deaf and Blind Schools). Also excepted are constitutionally named and elected officers and officials; appointees of the Governor; chief executives of state agencies; teachers in special and public schools (including higher education); research personnel in higher education; medical doctors; consultants, hourly, part-time, or temporary employees; and any others specifically excluded by legislation.

The act establishes the position of Classification Officer in the office of the State Auditor, with this officer to be appointed by the State Auditor and approved by the Legislative Audit Committee. This officer is assigned the job of administering the plan, and provisions are made for maintaining, developing, and enforcing the system. This bill does not interfere with existing law on employing, promoting, or dismissing state employees, nor does it prevent certain state agencies from continuing to operate under established merit systems.

Other Laws. Another important legislative action affecting state administration was H.B. 261, which required formal adoption and filing of rules and regulations by state administrative agencies in a central location, the office of the Secretary of State. Some uncertainty resulted from this bill, however, and changes in it were made by S.B. 80 (3rd C.S.). It was altered to apply only to rules of procedure, and it also validated all orders, regulations, rates, and acts of those state agencies which had not filed with the Secretary of State. The original bill had provided that such orders and regulations are not effective until thirty days after such filing.

A further adjustment to modern administrative problems was affected by S.B. 315, which provides that other state agencies shall utilize the electronic data processing center in the Comptroller's office when practicable.

S.B. 313 continues the building program of the state by authorizing construction of additional floors for the State Insurance Building and the second State Office Building, and completion of the new State Archives and Library Building.

The rapid development and utilization of atomic energy is acknowledged by S.B. 189, which authorizes Texas' entry into the Southern Nuclear Energy Compact and sets forth the legal provisions concomitant with such action. A total of sixteen states, including Texas, are listed as being eligible for membership in this compact.

S.B. 76 restructures the Texas Aeronautics Commission. Member-

ship is increased from three to six members, all appointed by the Governor, and new qualifications for board members are set up. The Commission is granted power to regulate scheduled intrastate air traffic (except carriers holding certificates from the Civil Aeronautics Board under the 1958 federal aviation law) and assumes other functions. The section of the old law pertaining to federal aid is repealed, and a new section pertaining to hearings, judicial review and court aid added.

S.B. 71 concerns the control, management, and use of the submerged land and islands in the Gulf Coast area. The School Land Board is charged with administration and enforcement of the act, and a coastal Areas Management Division within the General Land Office is established. A Texas Submerged Lands Advisory Committee is also created to assist the Board. The Board is to develop a comprehensive submerged lands management program, investigate cases of unauthorized encroachment upon state-owned lands and islands, conduct continuing study of such property for report to the Legislature, pass on applications for lease of such lands and islands, and approve or disapprove bulkhead lines located and fixed by Commissioners Courts or governing bodies of cities. County Submerged Lands Boards are authorized.

H.B. 838 raises the interest rate on loans made by the Veteran's Land Board to 4.5 per cent, and also increases fees for processing and servicing veterans' land applications.

S.B. 35 (3rd C.S.) authorized the Veteran's Land Board to contract for group life insurance cancelling upon death any debt due the Board by persons purchasing land under the Veteran's Land Program. Such coverage is optional and the premium is to be paid by the policyholder. Conditions under which the contract may be cancelled, and various limitations on such cancellation, amount of insurance, and other aspects of the program are set forth. Although not indicated by the title or caption of the bill, two sections contain additions to the Insurance Code which impose conditions and limitations on group, wholesale, franchise, and employee life insurance in general.

S.B. 344, relating to fees charged by certain state departments for services, increases both the charges for such services and the types of services covered.

Other bills pertaining to state administrative organizations included: the addition of a new member engaged in farming to the State Seed and Plant Board, making the total membership six (S.B. 121); an increase of the per diem compensation for members of the State Board

of Public Welfare from ten to twenty-five dollars (S.B. 445); and replacement of the office of State Librarian by a Director and Librarian who is to be the executive and administrative officer of the Texas Library and Historical Commission (H.B. 524).

REGULATION OF BUSINESS AND PROFESSIONS

Business. Among the many bills of importance concerning business in Texas is S.B. 35, aimed at halting the recent increase in Sunday merchandising. The law lists a number of specific items which may not be sold on both of the consecutive days of Saturday and Sunday. Included in the list are: radios, television sets, cameras, luggage, watches, refrigerators, recordings, clothing, motor vehicles, tools, hardware, lamps, jewelry, and lawn mowers. Each sale is a separate offense. Occasional sales by persons not engaged in the business of selling such items, emergency sales, and other types of sales are exempted. First offense of this act carries a maximum fine of \$100, and subsequent convictions call for a fine of \$500 and a jail term of not more than six months, or both.

S.B. 119, styled the Texas Uniform Partnership Act, was intended to establish a uniform, consistent body of law on the subject of partnerships. This comprehensive legislation, effective January 1, 1962, defines partnership, the relationships between or among partners, and the relationships between partners and those dealing with the partnership. It is concerned with the nature of property rights in partnership (including spouses of partners), procedures of dissolution and winding up, and rules of distribution of partnership property. This act is also viewed as having pertinence to the procurement of tax benefits by professional corporations (such as legal and medical).

Several statutes deal with the operations and procedures of corporations. S.B. 214 amends the Texas Business Corporation Act to provide for cumulative voting by shareholders for directors unless specifically prohibited from doing so by the articles of incorporation; the law also prevents any amendment of the articles of incorporation to bar such cumulative voting except by a two-thirds majority of the outstanding shares of each class of stock and puts the effective date at January 1, 1964.

H.B. 140 provides that proxies no longer automatically become revocable after eleven months; it provides for unit voting of shares; it

prohibits certificates of authority from being issued to foreign corporations whose corporate names are the same as, or deceptively similar to, a corporation presently doing business in Texas or whose title does not meet specified regulations; and it outlines the amendment of the articles of incorporation in reorganization proceedings.

S.B. 110 amends the Texas Business Corporation Act by providing that a receiver may be appointed for the assets and business of a corporation when a stockholder deadlock exists over a period of time including at least two consecutive annual meeting dates, thus bringing Texas law on this point into conformity with the Model Business Corporation Act of the American Bar Association.

H.B. 138 contains a number of provisions placed together under the title, "Texas Miscellaneous Corporation Laws Act." These provisions pertain to such matters as the legal status of married women; limited corporate survival after formal dissolution; educational, veteran, cemetery, detective, and certain railroad corporations; stock transfers (this part of the bill is styled Uniform Stock Transfer Act); and the authority of the Attorney General to examine corporate records and to proceed against insolvent corporations.

S.B. 116, the Texas Real Estate Investment Trust Act, provides for the formation of a real estate investment trust and deals with the operation of such trusts. As a result of this new authorization, personal liability of members of an unincorporated trust or unincorporated association may be limited and preferential tax treatment gained.

Under the provisions of S.B. 18, a negotiable instrument is payable to the bearer under the following conditions: when made to the order of a fictitious or nonexistent person; when payable to a living person not intended to have any interest in it, and such fact was known to the drawer or to his employee or other agent who supplies or causes to be inserted the name of such payee; when the name of the payee does not purport to be the name of any person; or when the only or last endorsement is an endorsement in blank.

The law concerning hours of work for female employees was clarified by S.B. 352, and, in particular, limits the work hours of female bank employees. Overtime pay in emergencies for female employees was lowered from the previous requirement of at least double time to time and one-half, and the law provides that all female employees not specifically exempted are entitled to one and one-half time pay for hours worked in excess of nine per day or forty per week.

S.B. 385 puts a time limit of ten years (unless renewed for the same) on the effectiveness of assumed business name certificates filed with the county clerk.

S.B. 450 relaxes restrictions on alien ownership of Texas land by permitting (1) Canadian and Mexican citizens (individual and corporate) or (2) corporations and individuals in a nation, country, province, or state which grants land ownership rights to Texans, to own land in this state.

H.B. 1105 makes theft of and dealing in a stolen geological or geographical map a felony, and provides a penalty of from two to ten years in the penitentiary or a fine of from \$200 to \$5,000 or both.

Professions. S.B. 100 amends the Public Accountancy Act of 1945. This extensive legislation upgrades professional standards and covers, among other things, the following: reappointment to membership on the State Board of Public Accountancy; use and misuse of the designation, "Certified Public Accountant" (and similar titles); various registration, filing, and examination permit fees; more difficult requirements for a C.P.A. certificate; a broader range of grounds for revoking or suspending such a certificate by the Board; and the proceedings involved in such action.

The statute graduates standards upward by time periods to require, beginning in 1967, either (a) a Bachelor's Degree from a recognized college with a major in accounting, or with a non-accounting major supplemented by sufficient course work in accounting, two years of satisfactory experience; or (b) graduation from an accepted high school, plus two years of university accounting study in a recognized college, and six years of satisfactory experience. At any time following the 1961 effective date of the act a person holding a Master's Degree in accounting or business administration from a recognized college or another satisfactory professional degree in accounting shall be eligible for the designation with one year of experience. All applicants must pass the written examination administered by the Board, in addition to the above requirements.

INSURANCE AND SECURITIES

Insurance. S.B. 256 provides an annual salary not exceeding \$20,000 for members of the State Board of Insurance instead of the *per diem* method previously in effect.

S.B. 284 clarifies the language of Article 3.39 of the Insurance Code. Without making any substantive change, it lists investments which domestic life insurance companies may make, and adds a new section prohibiting domestic life companies from entering into any transactions for underwriting purchases or sales of securities or properties, selling on account of such companies jointly, or withholding from sale any properties. The bill stipulates that property disposition shall be under control of the boards of directors at all times.

S.B. 357 also amends the Insurance Code to make restrictions upon capital stock and minimum surplus apply to *minimum* capital stock and minimum surplus (excepting any company writing life, health and accident insurance), and provides more definite requirements as to types and qualification of securities for investments in excess of minimum capital and minimum surplus.

S.B. 318 provides a number of changes in present law dealing with merger and consolidation of insurance companies in the same line of business which make such mergers more effective (and subject to new regulations), and also revises regulations dealing with total assumption reinsurance agreements.

S.B. 101 requires advance Insurance Board approval for any increase in mutual company assessments or rates, and S.B. 96 places such companies among those subject to penalties for delaying payment of losses on policies.

Guardians are now authorized to invest money on hand belonging to the ward in interest-bearing time deposits in Texas banks insured by the Federal Deposit Insurance Corporation (S.B. 38).

S.B. 157 subjects insurers not authorized to do business in Texas to false advertising regulations. This law also describes the administrative machinery of the Unauthorized Insurers False Advertising Process Act, a uniform law recommended by the National Association of Insurance Commissioners for enforcement in such cases.

S.B. 154 fixes venue for prosecutions involving false statements or representations in Travis County, thus settling an uncertain legal question.

Securities. H.B. 464, amends the Texas Security Law by increasing the penalties for "Blue Sky Law" violations from maximums of two years in prison and \$1,000 fine or both to ten years and \$5,000 fine or both for some offenses. It also amends the section concerning advertising by cutting down restrictions.

S.B. 285 redefines "Texas securities" which are permissible investment of life insurance companies. Specifically, the redefinitions apply to first mortgage bonds and debentures and first liens upon leasehold estates.

BANKING AND CREDIT

Banking. The legislation of paramount importance in the banking field was H.B. 1 (3rd C.S.), the escheat bill. Passage of this law was one of the key issues of the 57th Legislature, and marked the end of prolonged legislative debate on the matter. H.B. 1 protects dormant deposits and inactive accounts in banking institutions and savings and loan associations, and provides for their eventual reversion to the state.

Depositories holding such deposits and accounts (those continuously inactive for a period of more than one year without credit or debit to the account) must hold them intact as long as they remain dormant or inactive. H.B. 1 makes it unlawful for depositors to transfer, convert, or reduce any such deposit by means of service charges, assessments, or book transfers (except for charges arising from efforts to find depositors). If, after seven years of inactivity, the depository does not know the whereabouts of the depositors, the depository is to advertise annually for the "missing" depositors. The unclaimed amounts will be paid upon proof of ownership for nine months after advertising; if unclaimed thereafter they may be subject to conservation by the State Treasurer. On or before May 1 of the year following the first publication of depositors required by the bill, the depositories are to submit to the State Treasurer a list of names of unknown depositors whose deposits are \$25 or less and remain dormant or inactive; the depository may include those over \$25, if it concludes that further effort to find the owners would be unwarranted. The depositories are to deliver to the State Treasurer the amount listed, and the funds will be placed in a separate fund called the "State Conservator Fund." If claims are made by owners after funds have escheated to the state, a procedure is provided in the law for their payment.

The penalty for failure to publish the names of depositors as required, or for other violations of the act, is a fine of not less than \$500 or more than \$1,000, or a maximum jail term of six months, or both. In addition, the violator is subject to civil penalties of not more than \$100 for each day's violation.

H.B. 5 (1st C.S.) had previously provided for escheat of funds held by "persons" *other* than banking and savings and loan institutions. This bill requires reporting to the State Treasurer money or property held by them for others which has been unclaimed for seven years. When these lists are published, the owners remaining unknown are cited by publication, and the Attorney General brings suit to escheat the property. This bill was not repeated by the 1962 legislation.

H.B. 91 abolishes the position of Building and Loan Supervisor in the State Banking Department and creates in its stead a separate Savings and Loan Department headed by a Savings and Loan Commissioner. The Commissioner is appointed by vote of at least five members of the Finance Commission of Texas, at least two of which must be cast by members of the Building and Loan Section, and serves under the Finance Commission. The law further outlines the functions of the Commissioner and his assistants, and prescribes the conditions under which the body's rule-making power shall be exercised.

S.B. 432 changes the qualification of certain members of the State Finance Commission by requiring members of the banking and building and loan sections to come from larger institutions (as measured by capital and certified surplus).

Credit. Certain aspects of the operation of state credit unions were altered by S.B. 145. The Banking Commissioner is now empowered to require independent audits of credit union books and is granted approval power over surety bonds to be posted by persons handling money or other personal property. The bill authorizes appointments of a membership officer who may approve membership application under such conditions as the board may allow, within a prescribed limit. Appointment of one or more loan officers by credit unions is also authorized, with these officers permitted to approve loans of up to a certain limit. Not more than one member of the credit committee may be selected as loan officer, and each officer shall give a record of the loan made under his discretion within seven days after the filing of the loan application. Finally, the law provides that dividend credit may now be accrued for the entire month on shares which are or become fully paid up during the first ten days of a month.

EDUCATION

Salaries. The major education issue—higher salaries for teachers—

was so closely linked with financial matters before the Legislature that it was carried over along with the tax question to the special sessions. The increase of minimum teacher salaries in Texas public schools and other increased expenditures in the field of education were finally embodied in S.B. 1 (2nd C.S.), the "Hale-Aikin program."

This bill was one of the broadest in scope to come out of the 57th Legislature. Public school teachers holding at least a Bachelor's Degree were given a pay boost of \$810 per nine-months school term. The compensation for a holder of a Bachelor's Degree was increased from a minimum of \$3,204 to \$4,014 (or \$446 a month), and those holding a Master's Degree were raised from a minimum of \$3,429 to \$4,239 (\$471 monthly). Under the former pay system, adopted in 1957, there were three pay grades for those with less than a Bachelor's education. S.B. 1 reduces that number to one; now, a teacher receives a minimum of \$2,817 if he does not have a Bachelor's Degree (\$313 monthly), whereas formerly he received a minimum of \$2,637 if he had at least three years of college training but less than a degree, \$2,412 if he had between two and three years of college training, and \$2,187 for less than two years of college work.

Increments based on length of teaching service were also increased. Under the new arrangement, teachers with a Bachelor's Degree or less will now receive a \$12 monthly addition (instead of \$6) to their salaries for each year's experience after the 1960-1961 school year, up to a maximum of \$120 per month (instead of \$72). A teacher with a Master's Degree can receive up to \$204 as a monthly increment under the new plan on the basis of a \$12 addition per year of service (instead of \$6 monthly and a limit of \$156). The lowest possible minimum pay for a new teacher who first teaches during the 1961-1962 school year is \$2,817 for a person with less than a Bachelor's Degree. The highest possible minimum salary which can be reached under the new plan is \$6,075 for nine months for a teacher with a Master's Degree and seventeen years of teaching experience.

Pay scales for full-time school principals are the same as those prescribed for classroom teachers (based on educational level and length of service) plus an additional 20 per cent, and their minimum monthly compensation is multiplied by eleven instead of nine. For classroom teachers serving as part-time principals, minimum compensation is computed by multiplying monthly compensation by nine and one-half and adding 15 per cent for those supervising seven or more classroom

teacher units. For those over three to six units, eight per cent is added and monthly pay is multiplied by nine. The former compensation brackets for principals were considerably more complicated; under that system, the highest extra minimum compensation a full-time principal could receive was \$120 extra a month on a twelve-month basis, and the highest minimum for a part-time principal was \$72 a month. The lowest possible minimum pay for a new full-time principal is \$4,252 for a person with less than a Bachelor's Degree, and the highest possible minimum pay which can be attained under this plan is \$6,577 for a person with a Master's Degree.

Superintendents are also compensated on the same basis as classroom teachers, but their minimum monthly salary is multiplied by twelve to get their annual minimum salary. A superintendent of a district with less than sixteen classroom teacher units receives an additional 20 per cent per month; supervisors of 16–49 units receive a minimum of 25 per cent extra; supervisors of 50–99 units get 30 per cent more; those over 100–149 teacher units receive 35 per cent extra; and those supervising more than 150 teacher units receive a minimum of 40 per cent additional monthly compensation. The lowest possible minimum annual salary to be received by superintendents under the new law will be \$4,579, and the highest possible minimum annual salary will be \$8,116. Formerly, superintendents received specific dollar payments above their normal salary instead of percentages of their monthly salary, and these ranged up to \$250 for those supervising more than 300 teacher units.

Vocational teachers are placed on the same minimum monthly salary basis as classroom teachers, but may be appointed for periods of longer than nine months. Teachers whose qualifications have been approved by the State Board of Vocational Education are eligible for the minimum base pay of a holder of a Bachelor's Degree. Special Services teacher pay is the same as classroom teachers; a Registered Nurse is entitled to the minimum pay accorded a holder of a Bachelor's Degree; and a librarian with a certificate based on five years of recognized training is entitled to Master's Degree compensation. Teachers of exceptional children receive the same minimum monthly pay as classroom teachers, but may be appointed for longer than nine months by the State Commissioner of Education. Supervisors and/or counselors receive the same minimum monthly pay as classroom teachers but their pay is multiplied by ten months and they also receive \$30 extra

per month. Payment of minimum schedules provided in the law is a requirement before a school may participate in the Minimum Foundation School Fund Program and before it may be accredited by the Texas Education Agency.

Finances. The amount charged against local school districts for the Minimum Foundation Program was increased from \$63,205,000 to \$94 million for the 1961–1962 school year. For the 1962–1963 school year and thereafter, the amount charged will be 20 per cent of the estimated 1961–1962 cost, and local contributions will be determined by multiplying 20 per cent of the program cost for the immediately preceding school year by the economic index of each county.

The total current operating cost of each school district, other than salaries and transportation, will be determined by multiplying the number of classroom teacher and exceptional children teacher units by \$600. Formerly, funds were based on approved classroom teacher units in this manner: 1–74 units, \$400 per unit; 75–84 units, total of \$29,700; and more than 85 units, \$350 per unit.

A transfer of 1 per cent of the total value of the Permanent School Fund to the Available School Fund was authorized, with such transfer to be made on August 31, 1961, January 31, 1962, and January 31, 1963. Such amount is not to exceed the amount required by the General Appropriation Bill (S.B. 1, 1st C.S.), and cannot be made if there is no deficit; neither can the transfer exceed income derived from oil, gas, and mineral lease bonuses and annual daily rentals received during the previous fiscal year. The increased expenditures resulting from these changes in the Minimum Foundation Program were authorized to be paid in two equal installments on March 1, 1962, and June 1, 1962.

Other Bills. Vocational rehabilitation of severely disabled persons is to be administered by the Vocational Rehabilitation Division of the Texas Education Agency, according to S.B. 137. This bill does not affect the blind or crippled children's services of the state.

The State Board of Education, in S.B. 165, was authorized to invest permanent school funds in corporation bonds, preferred stocks, and common stocks, in addition to the kinds of securities previously sanctioned for investment, provided that a number of limitations are observed. The objective is to obtain a higher rate of return from this endowment.

School districts were empowered to receive state funds on the basis

of their average daily attendance for the current school year, instead of the preceding year, by S.B. 51. This change is of particular benefit to districts which are rapidly adding to their enrollment. By means of S.B. 80, independent school districts created through consolidations were made eligible, with certain restrictions, for incentive aid payments from the state.

Four bills moved in the direction of abolishing the office of County Superintendent of schools, a position that has been under criticism for a number of years on the grounds that it is now unnecessary. Three of the bills—H.B. 432, H.B. 483, and H.B. 871—do away with the office outright in particular counties, while the other, S.B. 192, allows the more populous counties to hold elections on the issue of abolishing the office.

Under the provisions of H.B. 107, retired teachers receiving retirement benefits may be employed as substitute teachers in the public schools for up to 80 days in a school year.

S.B. 1 (2nd C.S.) makes some changes in classification of professional units. Provision is made for recovery of over-allocation of funds to school districts resulting from deliberate falsification of records or violations of S.B. 1 (2nd C.S.), and the law also states that no teacher shall be forced, directly or indirectly, to join any group, club, committee, organization, or association, by a school district, Board of Education, superintendent, assistant superintendent, principal, or other administrator. Also, these same officers may not directly or indirectly coerce any teacher to refrain from participating in local, state, or national politics.

By passage of S.B. 2, the Legislature resolved one of the major questions regarding higher education which it faced during the regular session. This statute, which produced vigorous dissent before its passage, directed that The University of Houston should become a fully state-supported institution, beginning September 1, 1963. Currently, The University of Houston is financed by a combination of public funds, private endowment, and relatively high student tuition. One effect of the Legislature's action will be to lower the institution's tuition rates.

A population-bracket bill, H.B. 120, granted to Del Mar College, Corpus Christi, the right to hold an election in the local district to determine whether the college will offer junior- and senior-level courses leading to a Bachelor's Degree in a limited number of fields.

North Texas State College was permitted to adopt the name "North Texas State University" (H.B. 645). It was one of a series of similar enactments of recent legislatures to revise the official designation of individual state colleges. Several pieces of legislation—H.B.s 219, 259, 1068, 1088, and 110 (3rd C.S.), and S.B.s 12, 125, 187, 237, and 288—authorize the governing boards of state institutions of higher education to convey, acquire, or otherwise alter the ownership of specified properties.

COUNTIES

Many of the laws passed relating to counties deal with such matters as compensation of particular officials in certain counties and have limited general significance. Some, however, have broader application. S.B. 11, for example, permits all counties in Texas to provide fire protection for inhabitants living outside incorporated towns. Such authorization was formerly restricted to counties in particular population classifications, with the remainder either making contractual arrangements with nearby cities or making no provision for such fire protection at all.

Several bills dealing with city-county cooperation in governmental affairs were enacted during this legislative term. Among these was S.B. 19, which authorizes certain counties (in which there is a city of at least two thousand population and which is located more than ten miles from the county seat) to construct, equip, enlarge, and maintain a building to be used for a city hall, library, offices of the justice of the peace, or for county branch offices. The cost would be apportioned by contractual arrangement between the governmental units. The joint financing and use of jail facilities in counties having less than twenty thousand population is authorized by S.B. 462.

Joint Boards of Park Commissioners (which are formed by two counties) were made separate governmental entities with appropriate financial powers by S.B. 320, and regular county officials were relieved of certain duties concerning these boards.

H.B. 192 expedites tax administration by providing that tax assessor-collectors may deduct double payments and homestead exemptions claimed, if paid in error, from taxes due the state; the assessor-collectors may refund the amount due and the state Comptroller is to honor such deductions, provided they are made before June 30 of the current

taxpaying year. Previously, collectors had to hold reports for disposal of such claims before final accounting could be made to the state.

All counties are directed by H.B. 324 to supply transportation for their sheriffs under one of the following three plans: (1) the sheriff's department is furnished transportation with all expenses paid; (2) vehicles are furnished by the county with operating expenses paid by the individual officer, in which case compensation is not to exceed six cents per mile driven while on official business (formerly four cents per mile); or (3) members of the department furnish their own vehicles and pay their own expenses, and under these circumstances the act sets the rate at not less than eight cents or more than fifteen cents per mile (formerly six cents to ten cents).

H.B. 45 (3rd C.S.) provides that counties may pay for relocation of water lines owned by water control and improvement districts when such work is needed to complete farm-to-market roads. The districts are to repay the counties, with interest, within twenty years.

MUNICIPALITIES

Although the major items of interest on the municipal scene involved bills which did not pass, a number of pieces of legislation of state-wide significance were enacted.

S.B. 15 (1st C.S.) effects changes in municipal pension systems in cities over 500,000 population (Houston, Dallas, and San Antonio), lowering the length of service requirement of members from twenty-five to twenty years and the monthly pension sum from \$125 to \$120 for various types of pensions. Increment for service in excess of twenty years is increased from \$4 to \$6 monthly, and disability pension for those who have completed less than ten years service and incur such total and permanent disability in the line of duty from \$50 to \$60 per month. The former requirement for members of the system to retire at age seventy was removed (but they cannot accrue benefits or make further contributions).

H.B. 62 (1st C.S.) clarifies the Firemen's Relief and Retirement Fund Act by prohibiting any increase or decrease in survivor's or retirement allowance except as expressly provided in that Act.

H.B. 247 allows cities in excess of 380,000 population in counties of at least 800,000 population (Houston and Dallas) to create not

more than one corporation court for each 80,000 population. The former limit was five.

Under H.B. 224, planning assistance grants from the State Department of Health under provisions of the Federal Housing Act of 1954 are now authorized for cities of 50,000 population or less. Under prior law only cities of 25,000 or less were eligible for such aid.

Single zoning hearings may now be held jointly by the city legislative body and the zoning commission (H.B. 124), and H.B. 167 requires four members to be present for a hearing of boards of adjustment and also allows city governing bodies to appoint two alternate members of these boards.

H.B. 168 permits municipalities to create joint airport zoning boards in cities having airports operated by state or federal agencies; any political subdivision in which there exists any airport hazard area appertaining to such an airport may do likewise.

General law cities were authorized to close, vacate, or abandon streets and alleys by ordinance upon petition of the affected property owners (H.B. 284). A law applicable to home rule cities (H.B. 753), did away with the requirement that a copy of proposed charter amendment or amendments be mailed to every qualified voter, and stipulates that notice of the amendment election shall be made by newspaper announcement instead. The law also stipulates that the election must be held not less than thirty or more than ninety days after a council decision to submit amendments to the voters.

H.B. 1046 gives cities and towns in excess of 100,000 population the right to eliminate grade-level crossings by railroads by acquiring, constructing, improving and replacing the necessary facilities (and relocating tracks), and to issue tax and revenue bonds therefor.

Bonds issued for airport purposes by cities of 150,000 population or more are made eligible as security for public funds in official depositories and as investments for certain funds of banks and other financial institutions by H.B. 1109.

S.B. 293 authorizes certain cities to enter into contracts with special districts for sewage transportation, treatment, and disposal, and sets forth the financial regulations relating thereto. S.B. 251 permits certain water and conservation districts on the Gulf Coast which are located entirely within incorporated cities to abolish themselves and have their tax collection and assessment and their assets and liabilities taken over by such cities.

Other legislation affecting cities included the requirement by H.B. 628 that bonds be advertised for sale and bids received before the bonds are printed. This overrules city charters having provisions specifying that the bonds be printed before bids can be advertised or taken (a handicap to such cities in selling their bonds). H.B. 1131 authorized all cities situated in any county which has, along with an adjoining county, created a Joint Board of Park Commissioners, to sell land to such board. Also, S.B. 45 (3rd C.S.) authorized home rule cities of over 60,000 population bordering on the Gulf and having beaches suitable for parks to establish Beach Park Boards of Trustees to supervise park development.

COURTS, COURT PROCEDURE, AND CRIMINAL LAW

Courts. Shackelford County was transferred by H.B. 351 to the 90th Judicial District from the 42nd District. The 90th District now consists of Stephen, Shackelford, and Young counties and the 42nd of Taylor and Callahan counties. Fisher County was shifted by H.B. 417 from the 104th Judicial District to the 32nd District leaving the latter district composed of Nolan, Mitchell and Fisher counties and the former made up of Jones and Taylor counties.

The 102nd District Court (Bowie and Red River counties) and the 5th District Court (Bowie and Cass counties) may both now hear nonjury criminal cases (H.B. 1051 and H.B. 1052, respectively).

The Bexar County Criminal District Court's designation was changed to the 144th District Court, and the Bexar County Criminal District Court Number 2 was changed in designation to the 175th District Court (both by S.B. 89). The Probate Court of Galveston County was renamed Galveston County Court Number 2 (S.B. 48, 3rd C.S.), and S.B. 96 changed the name of Lubbock County Court to Lubbock County Court Number 2.

Three new civil and criminal courts were established: the Tarrant County Criminal Court Number 1 (S.B. 264); the Dallas County Criminal Court of Appeals (H.B. 207); and the Harris County Civil Court at Law Number 2 (H.B. 566). A Court of Domestic Relations was set up in Jefferson County by S.B. 319; in Tarrant County by S.B. 19 (3rd C.S.); and in Galveston County by S.B. 101 (3rd C.S.).

S.B. 349 provides for annual and other meetings of presiding judges of the administrative judicial districts to be called by the Chief Justice

of the Supreme Court of Texas. The objectives and purposes of such meetings are set forth, among them being case loads and uniformity of judicial administration. The Chief Justice is given power to assign judges of the administrative districts to service in other districts if the need arises. Judges required to hold court outside their own districts and counties under provisions of this act are entitled to additional compensation under S.B. 349.

Court Procedure. Under S.B. 186, county or district attorneys representing the state in delinquent tax suits are entitled to a maximum of 10 per cent of the amount sued for as compensation for their services, instead of specific dollar amounts.

H.B. 157 facilitates admissibility as evidence of domestic records and foreign laws. Written records made by an officer of this state or of any governmental subdivision of the state, or of the United States or other state or country are admissible as evidence. Provision is also made for admitting foreign laws as evidence of the matters contained therein.

In suits where minors, lunatics, or *noncompos mentis* persons are represented as plaintiff by "next friend," H.B. 348 stipulates that the court may authorize such "next friend" or other person to take charge of money or other property recovered in judgment of maximum value of \$1,500 for the use and benefit of the plaintiff. The previous limit was \$500.

H.B. 180 relates to award decisions in eminent domain proceedings, and changes the time when notice must be served from five to ten days before the day set for hearing. It also changes the time for objections to the commissioner's decision from ten to twenty days after the decision has been filed.

H.B. 100 provides that no person, with some exceptions, shall be liable for aid rendered at the scene of an emergency; this law was passed to remedy a former situation wherein persons were often reluctant to render emergency aid for fear of being held liable for such efforts.

Criminal Law. Maximum punishment for the crime of assault with intent to murder was increased from 15 to 25 years by H.B. 295.

In an effort to regulate more effectively the dissemination of pornographic material, the Legislature passed H.B. 441, which clarifies the penalties for such offenses.

S.B. 309 makes it unlawful to obtain telecommunications service

with intent to defraud through fraudulent means, and prescribes a penalty of one year in jail or \$1,000 fine or both.

S.B. 366 makes illegal the malicious obstruction of emergency telephone calls and obtaining the use of a party line by falsely claiming an emergency. This law also provides as penalties a fine of from \$25 to \$100 and maximum imprisonment of one month or both for the two offenses.

Other Laws. H.B. 670 allows a husband and wife to create, by written agreement, a joint estate out of their community property, with rights of survivorship.

According to S.B. 325, a married woman of legal age, whether a Texas resident or not, may file an acknowledged statement with the county clerk or clerks in the county or counties where she owns real estate or, if she is a Texas resident, with the county clerk in the county where she resides, stating that she elects to have sole management, control, and disposition of her separate property. In no event is it necessary that the husband consent to such a statement.

Clearer legal specification as to who shall grant the necessary consent in adoption of children who have been declared dependent and neglected is the intent of H.B. 1037. This bill states that adoption in cases where parental rights have been terminated by order of the Juvenile Court or other court of competent jurisdiction shall be permitted only upon the written order of the court terminating such rights.

H.B. 436 provides that jury determination of child custody may not be contravened by court judgment upon granting a divorce in jury trial of a divorce cause. In any child custody case, whether pursuant to a divorce cause, or not, any party to the hearing may, upon assumption of jury costs, demand a jury to determine custody, and the court's judgment must conform to the jury determination.

Divorce petitions shall state, if such be fact, that an unmarried child born of the marriage is physically or mentally unsound and requires custodial care; that such child is unable to care or provide for himself; and that such a child has no personal estate or income to provide for his needed care. If the court finds this proven, it may require and enforce support payment for the child, whether minor or not, and may revise judgments as the facts require (H.B. 68, 1st C.S.).

H.B. 49 (3rd C.S.) made persons or institutions given custody of dependent or neglected children responsible for the children's educa-

tion and maintenance, including dental, medical, and surgical care. One reason for this action was the fact that, in the past, a court order was needed before an operation could be performed on such a child, whether in an emergency or not.

ELECTIONS

Several bills of importance concerning elections were passed. One of them (S.B. 3, 2nd C.S.), provides that a run-off election is required in special elections for United States Representative if no candidate receives a majority in the first vote. The filing fee for such special election is set at \$500, and the bill does not apply to special elections for the office of Congressman-at-Large.

S.B. 350 raises the filing fee for special elections (when no party primary has been held) to fill vacancies from \$50 to \$1,000 for a state-wide office, and also changes the fees for other state-wide offices.

H.B. 53 permits use of paper ballots under certain conditions in cities of more than 200,000 population which use voting machines. It also reduces from ten days to five the period for keeping voting machines locked, if another election such as a run-off is to be held before the additional five days expires.

According to H.B. 239, no person may be nominated by party convention unless he has filed an application with the appropriate executive committee requesting that his name be placed before the convention for nomination—the same procedure as followed in placing a nominee's name on a general primary ballot. The prospective nominee must specify the office he seeks, and unless this procedure is followed, he shall not be eligible for nomination by his party to any other office to be voted on at the same election except as candidate for an unexpired term where the vacancy occurred after the convention. This statute was primarily aimed, of course, at the Republican Party, which heretofore had been able to name its candidates for state and local offices at conventions held after Democratic Party primaries.

S.B. 60 (3rd C.S.) changes precinct and county voting strengths in party conventions by basing representation in county and state conventions on the votes cast for the gubernatorial nominee of the party in the last previous general election, instead of the presidential-year election.

WATER

The 1961–1962 sessions of the Fifty-seventh Texas Legislature enacted a great deal of significant water legislation, covering such matters as state water administration, water supply loans, and water pollution.

Administration. Of long-range importance is H.B. 12 (3rd C.S.), which changes the name of the Board of Water Engineers to the Texas Water Commission. The same number of members is retained, but the expirations of their terms of office were changed from August to February of odd-numbered years, thus giving an incoming Governor an appointment at the start of his term. Also, this allows the Senate to pass on the appointment, and thus makes less likely the situation of an appointee serving eighteen months of his term before being turned down by the Senate. The Governor appoints the Chairman, who is the chief executive officer; he, in turn, sets forth the qualifications, duties, and responsibilities of a Chief Engineer (who must be a registered professional engineer) who is responsible to the Commission. In addition to whatever duties the Commission may delegate, the Chief Engineer is responsible for developing and keeping current a comprehensive and coordinated plan for orderly development of Texas water resources. All engineering functions are separated from the quasi-judicial and policy-making functions of the Commission.

S.B. 398 transfers to the Texas Water Commission the powers and duties of the State Reclamation Engineer and various duties of the Commissioner of the General Land Office.

Also of major concern is H.B. 8, which affects the Texas Water Development Board. The act takes away the present limitation on loans by the Board for water supply projects of one-third of project cost and raises the upper limit on such loans from \$5 million to \$15 million. These two changes were designed to stimulate state financial assistance to local water projects in the state.

H.B. 54, also relating to the Water Development Board, clarifies present legislation and grants the Board wider discretion with regard to transferring money between statutory funds and investment of funds for interest purposes.

Pollution. An important act to come out of the legislative sessions is H.B. 24 (2nd C.S.). This bill establishes the State Water Pollution

Control Board, and gives the pollution control program unified direction for the first time. The Board is composed of six members, three of whom are appointed by the Governor, with Senate consent, and three of whom are ex-officio—the State Commissioner of Health, the Chairman of the Texas Water Commission, and the Executive Secretary of the State Game and Fish Commission. The appointive members receive \$20 per day compensation plus expenses for official duties up to a maximum of \$2,000 per year, exclusive of expenses.

The Board may grant or deny permits for waste disposal; it may hold public hearings and compel attendance of witnesses in connection with investigation; it may issue regulations concerning pollution; and it may bring legal action to force compliance with its rules and decisions. The duties of this agency include the encouragement of voluntary cooperation and participation in pollution abatement; establishment of policies and procedures for the purpose of coordinating state government activity in this field; research study in this area; and preparation of a comprehensive plan for the lessening of the pollution problem. The law delineates legal aspects for Board hearings, decisions, and appeals from its decisions, and sets forth penalties and enforcement details. The Texas Game and Fish Commission, the State Department of Health, the Texas Water Commission, and the Railroad Commission are each charged with specific duties concerning pollution by this bill (the latter two are specifically instructed to continue duties relating to certain water pollution matters), and state agencies are authorized to transfer appropriations for water pollution purposes to the Board. The effective date of the act was November 1, 1961, with the exception of certain sections, including the higher fines levied on law violators, which become effective November, 1962.

Several other pollution bills were enacted. One is H.B. 409, which requires registration of water well drillers, and sets up an advisory Board of Water Well Drillers as an aid to the Texas Water Commission. Another is S.B. 72, which requires permits to drill injection wells for waste disposal or to change existing wells into injection wells (oil and gas wells are excepted). Both bills provide for administrative and enforcement machinery to execute the legislation.

Other Laws. H.B. 376 attempts to cut down confusion and inefficiency in the field of water resources development by providing that water control and improvement districts and underground water conservation districts henceforth are to be created only according to

Article XVI, section 59 of the Constitution. This act does not apply to other types of districts, such as soil conservation districts.

Other water bills include S.B. 444, which authorizes the Texas Water Commission to study sources of underground water supply and water-bearing formations, and S.B. 406, which empowers the State Soil Conservation Board to contract for the development of work plans for flood prevention and watershed protection.

H.B. 200 permits water improvement districts to sell land owned by them, and H.B. 216 provides that water supply corporations may deposit funds in state banks as well as national banks, and also in certain shares or share accounts of building and loan associations and savings and loan associations.

H.B. 71, relating to water supply or sewer service corporations, grants such corporations the option of increasing the number of directors, setting bond requirements of officers, and having a manager handle corporation business. The act exempts such units from the Texas Securities Act and stipulates that corporation funds be deposited in a bank insured by the Federal Deposit Insurance Corporation.

Continuing a practice of long standing, the Fifty-seventh Legislature created a number of new, local water districts. These, together with other types of special districts, are listed in Appendix A.

HEALTH AND WELFARE

Health. A significant amount of important legislation in the field of health was enacted. Passage of S.B. 43, the Texas Food, Drug, and Cosmetic Act, tightens restrictions in these areas, brings up to date provisions of the Texas Food and Drug Law passed more than half a century ago, and gives consumers the same protection as the national law on such goods in interstate commerce. S.B. 54 requires a registration fee of those importing foods and drugs into Texas.

S.B. 217, the Texas Equal Health Standard Milk Sanitation Act of 1961, sets health standards for milk produced outside the state to be imported into Texas, requiring that out-of-state inspectors certify that the milk to be shipped into Texas is of as high or higher standards than that produced in the state. Such inspectors' reports are to be accepted, but the permit may be revoked by the State Department of Health upon its finding that the milk is sub-standard.

S.B. 276 regulates the shipment of livestock and domestic fowl

into the state, and S.B. 196 makes unlawful the movement or transportation of certain animals or products through or across Texas from areas under state or federal quarantine on account of fever tick or screwworm infestation without proper treatment and certification.

The Radioactive Materials Act (S.B. 68) prescribes regulations on sources of ionizing radiation; it also designates the Texas State Department of Health as the State Radiation Control Agency, sets up the Radiation Advisory Board, and empowers the Governor to enter into an agreement with the Atomic Energy Commission to shift certain regulatory powers from the national government to the state.

S.B. 23 increases the minimum penalty for selling or offering to sell narcotic drugs to those under 19 years of age by setting the sentence for a first offense at from five years to life imprisonment. In other narcotics legislation, H.B. 93 states that an indictment need not name the specific drug for prosecution of drug users or addicts, and H.B. 712 regulates the use of narcotic drugs by dentists.

Public swimming pool disinfectants regulation is covered by S.B. 453, and H.B. 507 increases the application and annual renewal fee for permits for the manufacture and sale of bedding.

S.B. 92 exempts certain property items provided by the State Health Department to local health organizations, state institutions, and non-profit institutions to be used for public health purposes from the state property accounting system located in the office of the Comptroller. The accounting responsibility for these items is placed upon the State Health Department.

The Texas Mental Health Code was amended by H.B. 162, which requires a warrant from a judge necessary for the admission of persons to state hospitals or special schools. This law also changed the time limit for obtaining a court order in emergency hospitalization proceedings. Another amendment, S.B. 115, relates to the allocation of application fees and licensing of mental hospitals.

Fees for certified copies of vital statistics and records issued by the State Registrar of Vital Statistics (operating in the State Health Department) were increased by S.B. 69.

S.B. 210 authorizes the Board for Texas State Hospital and Special Schools to contract with private and public agencies for research, and the same agency is empowered by H.B. 245 to contract with private and other facilities for medical treatment and care of patients under its jurisdiction.

H.B. 273 relates to the release of persons with contagious diseases from state hospitals and special schools by means of writs of habeas corpus. To clarify existing legal definitions, H.B. 400 provides a distinction between crippled children and needy children. This law also establishes in the State Health Department a physical restoration service for crippled children separate and distinct from aid to needy children.

Mental health facilities were expanded by establishing the Lufkin State School (S.B. 403) and a school for the mentally retarded in the Gulf Coast area (S.B. 14). H.B. 749 changes the name of the State School Farm Colony near Austin to Travis State School.

Welfare. A significant piece of welfare legislation was S.B. 79, which provides medical, hospital, and nursing care for the aged in accordance with a constitutional amendment passed in 1958. A total of \$13,320,000 of state funds was the estimated cost of the program for the biennium, with monthly payments to individuals amounting to \$12 under the federal matching formula.

H.B. 38 increased the amounts to be transferred from the omnibus tax clearance fund to the blind assistance fund and to the old age assistance fund. The total amount of assistance to the blind was increased from \$1,350,400 to \$1.4 million annually, and old age assistance went up from \$40 million to \$41.7 million.

HIGHWAYS AND MOTOR VEHICLES

The importance of S.B. 1 (3rd C.S.) dominated legislation in the fields of highways and motor vehicles. This act allows use of funds for maintenance of Texas' extensive farm-to-market road system. Previously, funds were not available for maintenance of the 33,000 miles of highways which had been built under the "Colson-Briscoe" program, a situation which became increasingly critical as mileage increased. The law sets aside up to one-half of surplus funds remaining after road bond assumption obligations have been met from one-fourth of the new revenue from the motor fuel tax for maintenance. The \$15 million appropriation for construction which was vetoed was reenacted.

S.B. 394 amends present law relating to the definition of a "specialized motor carrier" by including carriers engaging or desiring to en-

gage exclusively in the transportation of agricultural products in their natural state or broom corn.

Speed limits on turnpikes operated by the Texas Turnpike Authority (the Fort Worth-Dallas Turnpike) were established by S.B. 255, with the Authority prohibited from setting limits higher than seventy miles per hour.

H.B. 53 extends the registration exemption to trailers which haul fertilizer.

S.B. 266 changes the minimum height at which reflectors must be mounted on vehicles, except for certain types of vehicles.

Motor vehicle manufacturers or dealers are allowed by S.B. 239 to acquire permission to test such vehicles by payment of an annual testing fee of \$15, instead of having to register each vehicle to be used for this purpose.

In line with recent action taken by some other states, H.B. 143 (1st C.S.) makes unlawful and void any agreement requiring or permitting a carrier to pay a levy or compensation if such charge is dependent or contingent upon the use of another mode of transportation in addition to motor transportation. The law also prescribes a penalty of a \$100-\$500 fine or a jail term of 30-90 days, or both.

THE LEGISLATURE

A great deal of highly important legislation concerned the Legislature itself, with apportionment, reorganization, compensation, and social security bills being passed.

In compliance with constitutional directive, and to avoid having itself redistricted by the Legislative Redistricting Board, the Fifty-seventh Regular Session enacted a bill reapportioning state representative and senatorial districts (H.B. 349). To some extent, the 1961 reapportionment lessened the historical underrepresentation of urban areas in the Texas House of Representatives, but this underrepresentation was heightened in the Texas Senate. A total of twelve counties gained in number of places, were separated from other counties and given one-county seats, or were moved from flitorial arrangements to one-county places in the state House of Representatives. Harris County, which gained four places, and Dallas County, which picked up two seats, were the only counties gaining more than one place. In the state

Senate, districts remained virtually the same as in the 1951 reapportionment, with only seven counties being moved from their 1951 seats by the 1961 action.

Also of major importance is the Legislative Reorganization Act of 1961 (H.B. 289). This bill puts into law a number of procedures which have previously been authorized by legislative rules. Standing committees in each House are permitted by this act to meet and conduct business during the interims between legislative sessions, and the act also provides for special legislative committees. Moreover, the former requirement that legislators be removed from interim committees if they fail to qualify for re-election was repealed.

Testimony before such committees is dealt with in detail by the law. It requires oaths of all witnesses; authorizes serving of process on witnesses; prohibits witnesses from refusing to testify; describes what constitutes contempt of the Legislature and sets forth stipulations concerning prosecution and penalties for such contempt. In an important provision, the bill makes giving of false statement under oath an act of perjury and describes penalties therefor.

H.B. 1 contained the enabling legislation for a 1960 constitutional amendment which provided that members of the Legislature be paid an annual salary of \$4,800 and daily compensation of \$12 for the first 120 days of each regular session and for each special session limited to 30 days. Regular sessions are limited to 140 days' duration. This act culminates a long series of attempts to place Texas legislators on a regular salary, and replaces the old arrangement of \$25 per diem pay for 120 regular session days and for 30-day special sessions.

Finally, S.B. 101 provides that the term "state employee" shall be defined so as to bring members of the Legislature under coverage of the federal social security program. This permits the state to pay the employer's share of the social security tax on each member's legislative salary of \$4,800.

OTHER LAWS

Among the bills passed dealing with unemployment compensation and insurance was H.B. 66 (1st C.S.). This legislation makes the following changes from previous law: (1) adds a one-week waiting period prior to benefit payment; (2) provides for benefits on the wait-

ing period claim when the individual has been paid benefits of four times his weekly benefit amount; (3) a maximum weekly payment of \$37, instead of \$28; (4) maximum benefit duration of 26 weeks instead of 24; (5) a determination of the amount of weekly benefits payable on the basis of 1/25 of the wages of the highest quarterly period of the individual's base period instead of the former 1/26 figure; and (6) use of 27 per cent of total wage credits in figuring maximum amount of benefits payable instead of the former limit of \$672.

S.B. 261 increases the penalties for misrepresentation and false statements made in applications for unemployment insurance to a fine of from \$100 to \$500 or a prison term of from thirty days to one year, or both. Each false statement, misrepresentation, or failure to disclose a material fact is a separate offense.

H.B. 892 establishes regulations for private clubs in Texas. This act provides for club registration permits to be paid on the basis of the highest number of members in good standing during the year, with fees ranging from \$500 for a maximum of 250 members to \$2 per member for membership in excess of 1,000. This bill does not apply to fraternal or veteran's clubs. The Liquor Control Board and its administrator are given power to cancel or suspend permits for specified violations.

H.B. 533 amends liquor laws so as to permit, in addition to other provisions dealing with the liquor industry, the Carling Brewing Company to build a \$20 million brewery in Fort Worth (and to continue operation even if the precinct in which the brewery is to be located votes "dry"). This legislation sparked some of the most vigorous controversy of the regular session.

The Fifty-seventh Legislature created some forty-six special districts, with the bulk being new water districts. The type, title, location, and legal authority for these districts appears in Appendix A.

Proposed Constitutional Amendments

The regular session of the Texas Legislature approved a record number of constitutional amendments to be voted on in the general election of November, 1962. At that time the electorate will consider fourteen changes in the oft-amended Texas Constitution. A basic change in judicial procedure would be made by H.J.R. 32, which would grant the Legislature authority to provide for trial *de novo* on all appeals to the courts from actions taken by administrative agencies or executive departments of the state or any of its political subdivisions. Trial *de novo* means that the case is gone into by the courts in the same manner as a case considered for the first time by any court. In other words, evidence will be fully presented again as if the agency had not heard the case.

The latest increase in assistance to needy aged, needy blind, and needy children is contained in S.J.R. 9. This proposal would amend Article III, section 51a to raise the limit on the amount of state funds which can be used for these purposes from the present level of \$47 million to \$52 million per year. The basic conditions of payment of the funds remain the same.

Another amendment relating to public welfare is S.J.R. 7, which would authorize raising of the limit on financial aid to persons who are totally and permanently disabled from \$1.5 million to \$2.5 million yearly. The \$20 monthly limit on payment of these funds to single recipient remains the same.

S.J.R. 13 would permit the Legislature to provide for temporary succession to public office (excepting the Legislature) in periods of emergency resulting from disaster caused by enemy attack. The purpose of such a law is to insure continuity of vital governmental operations.

H.J.R. 46, which would add a new section (49-d) to Article III of the Constitution, authorizes the Texas Water Development Board

to acquire and develop water storage facilities in reservoirs and to dispose of such facilities and water on such terms as the Legislature may prescribe. Use of the funds received from such disposition is prescribed, and the total of the obligations authorized in this amendment and the bonds authorized by section 49-c of Article III is not to exceed the \$200 million limit specified in section 49-c.

Three constitutional amendments dealing with governmental employees were passed by the Legislature. S.J.R. 12 provides that a state employee may serve on advisory committees, as a consultant, on public school boards, with other state agencies, with any political subdivision of the state, or with the federal government, provided his administrative head approves and there is no conflict of interest. Elected and appointive officials and employees of counties or other political subdivisions of the state who serve in such capacity for twelve years or more in any political subdivision of the state would be made eligible for participation in a Retirement, Disability, and Death Compensation Fund authorized under H.J.R. 36. In similar vein, H.J.R. 25 amends Article III to authorize political subdivisions of the state to provide workmen's compensation insurance for all employees.

S.J.R. 25 adds to constitutional provisions concerning the Veteran's Land Board by granting permission to resell lands remaining unsold after first being offered for sale to veterans under financial regulations now provided or to be provided by law.

Two constitutional amendments would authorize the creation of hospital districts in five Texas counties, while a third would allow such steps to be taken in the future without the necessity of first submitting the proposal in the form of a constitutional amendment. H.J.R. 70 would authorize two hospital districts in Brazoria County, provide for their possible consolidation in the future, and would limit their taxing power to a maximum rate of 25 cents on each \$100 valuation. This amendment also provides a method of financing possible home or homes for the aged in Titus County, and sets the maximum tax levy at 25 cents on each \$100 valuation. H.J.R. 22 permits the Legislature to create hospital districts in Ochiltree, Castro, Hansford, and Hopkins counties and limits the maximum tax rate to 75 cents on each \$100 valuation. H.J.R. 51 would amend Article IX by permitting legislative creation of hospital districts composed of all or part of one or more counties and fixes the tax levy ceiling at 75 cents on each \$100 valuation. The amendment also provides that the district

would receive the hospital facilities and would assume the debt of any included city, town, or county hospital (and also the responsibility of caring for needy inhabitants) if located entirely within the district boundaries, and a *pro rata* portion of such indebtedness if the included cities, towns, and counties are not situated wholly within the new district.

S.J.R. 6 amends Article VII to provide that school taxes theretofore voted in any independent school district, the major portion of which is in Dallas County, shall not be invalidated by changes in boundaries, nor shall bonds authorized but unissued be invalidated under such circumstances. The authorization of continued levying of taxes after such change without further election is also permitted, with exceptions in case of annexation or consolidation of entire districts.

S.J.R. 19 would authorize governing bodies of counties bordering on the Gulf or its tidewater limits to regulate and restrict the speed, travel, and parking of motor vehicles on public beaches. The amendment does not increase riparian or littoral rights of landowners.

Bills and Resolutions Vetoed

REGULAR SESSION

The Governor vetoed S.B. 27, providing a remedy for convicted and imprisoned persons who assert that their constitutional rights have been denied them or that their conviction was based on false or untrue testimony. This bill was vetoed on the grounds that, while the bill's purpose was worthwhile, "it could in its present form cause considerable difficulties for the courts."

H.B. 32 authorized filing of lawsuits for payment of aid and compensation to persons who have paid fines or served sentences for crimes of which they allege that they were not guilty. The bill was almost identical to H.B. 936 of the 56th Legislature, also vetoed, except for a limitation of \$105,000 on the amount of damages and 33 1/3 per cent attorney fees in the 1961 version. The Governor regarded this figure as too high, raised other questions involving proof, evidence, and

survival of the cause of action, and saw the law as "entirely too general and generous in its scope."

At the request of the author, the Governor vetoed S.B. 53, relating to registration of fertilizer trailers, because certain portions of the law conflicted in some respects with H.B. 1082, previously signed.

H.B. 59 would have authorized certain exemptions to the laws which would require registration of motor vehicles and adequate braking facilities. The bill was vetoed because the increase in exemption from registration now accorded farm trailers and semitrailers from the present 4,000 pounds to 12,000 pounds was viewed as being ill-advised; because adequate braking facilities were not required; and because exemption of more than 16,500 additional vehicles would cost an estimated \$2,705,000 annually in loss of revenue.

Provision was made in S.B. 300 for certain information to be furnished by the Texas Employment Commission. The bill was vetoed because notice was received after passage of the bill that the legislation would have created a conflict between state and federal law.

H.B. 613 would have required newspaper publication of proposed issuance or modification of rules, regulations, and orders promulgated by the Texas Railroad Commission. The Governor rejected the bill because of "its all-inclusive nature," which would result in great cost, the possibility of delay and indefiniteness of action on urgent matters, and the possibility of harassment for the purpose of delaying Commission action.

The Governor turned down H.B. 897, defining "outdoor advertising" in the Texas Liquor Control Act because he saw no justification for expanding liquor advertising to the outside of buses and other public transportation facilities.

At the request of the bill's author, the Governor vetoed H.B. 495, authorizing life, health, or accident insurance companies to acquire production payments under certain conditions, on the grounds that it contained the same subject matter and amended the same Article as another bill which passed the 57th Legislature.

S.B. 197, relating to the eligibility of municipal airport bonds for investment by certain financial institutions and to secure the deposit of public funds, was vetoed because of its close similarity to a bill passed earlier by the Regular Session and previously signed by the Governor.

S.B. 420 was vetoed at the request of the author because of an in-

advertent error in the final form of the bill which related to the Municipal Pension System in certain cities.

S.B. 452 would have allowed under certain conditions, the cumulation of credits in the state employees retirement system on a retroactive basis for "creditable service" of an employee employed by two or more participating departments. The bill did not become law because "Only one person is known to qualify" under the bill's provisions, and because the Governor considered another provision of the bill unconstitutional.

H.B. 119 was vetoed because revenue would have been lowered by the legislation, which made certain changes in the collection of miscellaneous excise taxes.

H.B. 1101 was rejected because an identical Senate Bill creating the El Paso County Water Control and Improvement District—Westway had already been signed.

H.B. 1095, relating to the netting of fish in the Sabine River, was vetoed at the request of the principal author because an important phase of existing law was overlooked and certain provisions needed further study and correction.

H.B. 1133 was turned down because of the amount of opposition which developed in Bee County following passage of the law prescribing the lawful period for hunting quail in that county.

One section of the miscellaneous claims bill (S.B. 321) was deleted because expected funds for that part did not materialize. The remainder was not vetoed.

SPECIAL SESSIONS

The Governor vetoed two items in S.B. 1 (1st C.S.), the general appropriation bill: (1) a \$15 million appropriation to the Farm-to-Market Road Fund and (2) an appropriation of approximately \$82 million to the Teacher Retirement System. The latter was vetoed because the second called session had enacted legislation which duplicated this appropriation.

H.C.R. 12 (3rd C.S.), granting permission for a suit against the state, was vetoed because of deficiencies in the bill's wording.

Interim Studies

As in prior sessions, the Legislature called for a number of interim studies to be made in order for the next Legislature to be supplied with detailed information and background on problems facing the legislative body. The bulk of this research is being done by the permanent research wing of the Legislature, the Texas Legislative Council. The remainder is a product of state agencies in conjunction with the Legislative Council, of state agencies in cooperation with other agencies, of particular agencies, or by interim committees of one or both legislative houses. Appendix B indicates the subject, study groups and statutory authorization for the studies.

Bills and Resolutions Not Enacted

The legislative process is not always characterized by alacrity, especially where matters of some importance are concerned. Some of the more significant legislation passed by this legislature had been proposed in one form or another in prior sessions. This was the case with two of the most important bills—the sales tax and the teacher pay raise, for instance. Similarly, several important legislative matters were not enacted by the Fifty-seventh Texas Legislature, either in regular or special session. Some of the bills stimulated vigorous controversy; others, while not provoking such widespread attention, contained subject matter of sufficient significance to warrant their inclusion in this brief summary.

TAXATION

Tax bills of many varieties were introduced but not passed in the regular and first called sessions. Some of these bills dealt with only one specific proposal while other were tax "packages" containing a multiplicity of revenue-raising provisions. Any summary of the unpassed tax legislation must necessarily be limited, and the following list serves only as a representation of the range of bills introduced and to describe features of importance in each bill:

H.B. 991: Personal income tax of 1 per cent adjusted rate.

H.B. 960: Corporate net profits tax of 4.5 per cent.

H.B. 990: Combined corporation and personal income tax of 5 per cent of amount of federal income tax paid.

H.B. 32 (1st C.S.): Combined corporation and sales tax with corporate rate of 6 per cent and sales tax rate of 2 per cent.

H.B. 375: \$40 deductible sales tax.

H.B. 14 (1st C.S.): \$50 deductible sales tax.

H.B. 121: "Business occupation tax" which would have taxed gross income of manufacturers or importers of manufactured goods at 0.375 per cent, and the gross incomes of businesses rendering professional services at 1.5 per cent.

H.B. 331: Franchise tax on interstate corporations which was based on property value and gross receipts in Texas as a percentage of total property and sales value.

H.B. 43 (1st C.S.): Graduated gift tax.

H.B. 339: Gas production tax which included a one-year increase in rate of from 7 to 10 per cent of well-head value.

H.B. 481: Gas tax which would have increased the production tax from 7 per cent of wellhead value to 1.505 cents per 1,000 cubic feet (producer would pay 7 per cent and "beneficiary" receiving gas under dedication contract would pay remainder of 1.505 cents).

H.B. 386: Excise tax of 3 per cent on all utilities except water.

H.B. 941: Tax of 1 per cent on refining and processing raw materials in any way.

H.B. 559: Gross receipts tax which would have equalized taxes on gas, electric, and water utilities at 1.997 per cent.

H.B. 876: Gross receipts tax of 5 per cent on road, street, and bridge contractors.

- H.B. 1108: Tax on income from interest and dividends.
H.B. 525: Tax of 2 per cent on recording of real estate transfers.
H.J.R. 35: Constitutional amendment outlawing retail sales tax.
H.J.R. 21: Constitutional amendment outlawing personal income, corporation income, and payroll taxes.

APPROPRIATIONS

Supplemental appropriations were hotly debated during the third special session early in 1962. The Governor proposed that the three major appropriations allot \$300,000 for a tourist advertising program, \$156,500 for repair on the San Jacinto Monument, and \$100,000 for 15 additional juvenile parole officers and two area supervisors.

STATE ADMINISTRATION

H.B. 156 would have changed the ratemaking power of the Railroad Commission to allow carriers to publish new rates and operate under them, barring objection and appeal to the Commission from competing carriers. This would have made the Commission's power similar to that of the Interstate Commerce Commission in interstate regulation.

REGULATION OF BUSINESS

One of the most persistent problems confronting the 57th Legislature was regulation of the small loan industry. A 1960 constitutional amendment authorized the Legislature to fix maximum interest rates to be charged by lenders, with the existing constitutional limits of 10 per cent per annum on contract loans and 6 per cent for loans where the contract does not specify a limit to remain the same until the Legislature acted differently. Loan legislation in both the regular session (H.B. 7) and Third Called Session (H.B. 3 and S.B. 20) failed to pass, with the focal points of conflict being the size of loans to be covered by law and what constituted a "small loan."

H.B. 2 would have permitted the REA to continue doing business in areas annexed by cities.

H.B. 319 would have established a minimum wage of 75 cents per hour.

Several bills were introduced which would have altered the existing automobile insurance merit rating system, among them being H.B. 18, H.B. 110, H.B. 19, S.B. 65, and S.B. 78.

EDUCATION

Another bill of wide interest was H.B. 548, which would have required public school and higher education teachers to sign an oath professing belief in a Supreme Being.

H.B. 933 would have doubled present state college tuition.

MUNICIPALITIES

There were three major bills concerning municipalities which did not pass during the 57th Legislature. A new approach to annexation in Texas, H.B. 3 (also H.B. 37, 3rd C.S.), did not get through. This bill would have placed time and area restrictions on annexation, and provided legal remedy if full municipal services were not provided. It would have established jurisdiction outside city limits for the purposes of sanitation, health, zoning, building, and subdivision controls, and would have created annexation-exempt industrial parks on option of the individual city for a period of five years.

H.B. 73, affecting 335 cities, would have required cities to make up a \$48 million deficit (over a 48-year period) in the Firemen's Relief and Pension Fund and to maintain the fund on a current basis.

H.B. 14 would have instituted compulsory arbitration and possible eventual referendum on grievances by firemen in cities having more than 10,000 population.

COURTS, COURT PROCEDURE, AND CRIMINAL LAW

S.J.R. 10 would have merged the State Supreme Court and the Court of Criminal Appeals into one 15-member Supreme Court.

H.B. 263 would have provided for 10-juror verdicts in civil cases.

H.B.'s 79-105 (1st C.S.) would have effected a general revision of the criminal procedure laws, touching on such matters as insanity pleas, pre-trial hearings, forfeiture of bail bonds, and flying while intoxicated.

ELECTIONS

S.J.R. 3 would have changed the Constitution to provide for a four-year term for the Governor, with a limit of one term for a single incumbent.

S.J.R. 17 would have abolished the poll tax requirement for voting.

S.B. 348 would have instituted a presidential preference primary in Texas similar to that in other states. The state's delegates would have been bound for the first three ballots to the choice of the primary voters in national nominating convention balloting for presidential nomination.

THE LEGISLATURE

Congressional redistricting did not pass the Legislature, and the state's new seat in the national House of Representatives will be filled on an at-large basis. Two bills containing Congressional Reapportionment provisions were H.B. 484 and H.B. 824.

H.J.R. 16 would have made Congressional redistricting automatic just as state representative and senatorial reapportionment now is.

H.B. 358 would have limited the Speaker of the House of Representatives to one term, prohibited pledge cards and campaigning in the House, and required reporting of campaign contributions.

OTHER LAWS

The status of Padre Island as a recreation and park area was a matter of much dispute. Bills proposing that the area become a national recreation area were S.B. 224 and S.B. 11 (latter 3rd C.S.).

Codification of juvenile laws failed of passage (S.B. 349).

Another legislative topic which was vigorously contested was the constitutional amendment (H.J.R. 4) which would have permitted pari-mutuel betting on horse races.

Comprehensive alteration of constitutional limitations on the legal rights of women did not pass (H.J.R. 3 and S.J.R. 4).

APPENDIX A SPECIAL DISTRICTS CREATED BY THE FIFTY-SEVENTH TEXAS LEGISLATURE

Type and Name of District	Location (County)	Bill Number	Total
<i>Hospital</i>			6
Brazoria County Hospital Districts (2) *	Brazoria	H.B. 995	
Castro County Hospital District†	Castro	S.B. 330	
Hansford County Hospital District†	Hansford	S.B. 330	
Hopkins County Hospital District†	Hopkins	H.B. 33 (1st C.S.)	
Ochiltree County Hospital District†	Ochiltree	S.B. 330	
<i>Road</i>			3
Brazoria County Road District #35	Brazoria	H.B. 312	
Brazoria County Road District #36	Brazoria	S.B. 31 (3rd C.S.)	
Jasper County Road District #8	Jasper	H.B. 789	
<i>School</i>			1
Denton State School Independent School District	Denton	H.B. 494	
<i>Water</i>			35
Water Control and Improvement†			11
Brazoria County Water Control and Improvement District— Brushy Meadows	Brazoria	S.B. 57 (3rd C.S.)	
Brazoria County Water Control and Improvement District— Lake Alaska	Brazoria	S.B. 37 (3rd C.S.)	

* Advance enabling legislation contingent upon passage of a constitutional amendment (embodied in H.J.R. 70) by the electorate in November, 1962.

† Advance enabling legislation contingent upon passage of a constitutional amendment (embodied in S.J.R. 22) by the electorate in November, 1962.

APPENDIX A—Continued
SPECIAL DISTRICTS CREATED BY THE FIFTY-SEVENTH TEXAS LEGISLATURE

Type and Name of District	Location (County)	Bill Number	Total
Brown County Water Control and Improvement District— Holiday Hills	Brown	H.B. 1106	
El Paso County Water Authority	El Paso	S.B. 10 (1st C.S.)	
El Paso County Water Control and Improvement District—Westway	El Paso	S.B. 463	
Kerr County (Center Point) Water Control and Improvement District	Kerr	H.B. 923	
Kimble County River Authority	Kimble	H.B. 106 (1st C.S.)	
Kimble County Water Control and Improvement District #1	Kimble	H.B. 922	
McLennan County Water Control and Improvement District— Bosqueville Hills	McLennan	H.B. 66 (3rd C.S.)	
Rio Grande Palms Water District	Cameron	H.B. 177	
Zapata County Water Control and Improvement District— San Ygnacio	Zapata	S.B. 17 (1st C.S.)	
<i>Conservation and Reclamation†</i>			24
Alice Water Authority	Jim Wells	S.B. 22 (3rd C.S.)	
Angleton Drainage District	Brazoria	S.B. 32 (3rd C.S.)	
Angleton Municipal Utility District	Brazoria	H.B. 600	
Bayshore Municipal Utility District	Harris	H.B. 51 (1st C.S.)	
Bowie County Water Supply District	Bowie	S.B. 368	
Brookshire-Katy Drainage District	Waller	H.B. 302	
Castleman Creek Watershed Association	McLennan	S.B. 438	
Chantilly Oaks Municipal Utility District	Galveston	S.B. 21 (1st C.S.)	
Dayton Drainage District	Liberty	H.B. 17 (3rd C.S.)	

† Districts formed for this function, regardless of title.

APPENDIX A—Continued
SPECIAL DISTRICTS CREATED BY THE FIFTY-SEVENTH TEXAS LEGISLATURE

Type and Name of District	Location (County)	Bill Number	Total
El Lago Municipal Utility District	Brazoria	S.B. 252	
Escondido Watershed District	Karnes	H.B. 1110	
Farmers Creek Watershed District	Montague	H.B. 1060	
Glenwood Bayou Municipal Utility District	Brazoria	S.B. 340	
Henderson County Municipal Water Authority¶	Henderson	H.B. 29 (3rd C.S.)	
Hull Fresh Water Supply District	Liberty	H.B. 1102	
Liberty County Drainage District #5	Liberty	H.B. 60 (1st C.S.)	
Logan-Slough Improvement District	Lamar	H.B. 893	
Lomax Municipal District	Harris	S.B. 433	
<i>Conservation and Reclamation</i>			
Memorial Villages Water Authority	Harris	H.B. 19 (3rd C.S.)	
Palo Pinto County Municipal Water District #1	Palo Pinto	S.B. 303	
Pettus Municipal Utility District	Bee	S.B. 7 (3rd C.S.)	
Rotan Municipal Water Authority	Fisher	H.B. 794	
Upper Leon River Municipal Water Authority	Comanche, Coryell, Eastland, Erath, Hamilton	S.B. 268	
Velasco Drainage District	Brazoria	S.B. 33 (3rd C.S.)	
<i>Other</i>			1
Old Galveston Quarter	Galveston	H.B. 108 (3rd C.S.)	
TOTAL			46

¶ Statute lists conservation, but not reclamation, function.

APPENDIX B INTERIM STUDIES AUTHORIZED BY THE FIFTY-SEVENTH TEXAS LEGISLATURE

Subject of Study	Study Group	Statutory Reference
<i>Taxation and Fiscal Administration</i>		
(1) Methods of reducing taxes	House Interim Committee	H.S.R. 140
(2) The cost of government	Senate Interim Committee	S.R. 123
(3) The <i>ad valorem</i> tax laws	Texas Legislative Council	H.S.R. 23 (3rd C.S.)
(4) State and local tax policy	Commission on State and Local Tax Policy	H.B. 354 (56th Legislature)
(5) Changes in new sales tax law	Commission on State and Local Tax Policy	H.C.R. 5 (3rd C.S.)
<i>State Administration</i>		
(6) Methods of statutory revision of Texas laws and effect of Attorney General opinions on them*	Texas Legislative Council	H.S.R. 650
(7) Non-constitutional functions of Attorney General and means which may reduce them*	Texas Legislative Council	H.C.R. 71
(8) Discrimination in state government and business employment solely because of age*	Texas Legislative Council	H.S.R. 177 (1st C.S.)
(9) Purchasing procedures of state and its political subdivision	Texas Legislative Council	H.S.R. 129
(10) Construction of emergency operating center for state government	State Building Commission	H.C.R. 18 (1st C.S.)
(11) Rate-making power of Texas Railroad Commission	Texas Legislative Council	H.C.R. 5 (2nd C.S.)
(12) Submerged lands and islands belonging to state	House Interim Committee	H.S.R. 726
(13) Development of bays and inlets of the state	Joint Interim Committee	S.C.R. 59
(14) Beaches of the state	Joint Interim Committee	S.B. 279
(15) Parking space in the Capitol area	House Interim Committee	H.S.R. 136 (3rd C.S.)

APPENDIX B—Continued
INTERIM STUDIES AUTHORIZED BY THE FIFTY-SEVENTH TEXAS LEGISLATURE

Subject of Study	Study Group	Statutory Reference
(16) Reciprocity practices of Texas examining and licensing boards	Texas Legislative Council	H.S.R. 74 (1st C.S.)
(17) Recordation of mineral interest in Texas lands	Texas Legislative Council	H.S.R. 25 (1st C.S.)
<i>Regulation of Business and Professions</i>		
(18) Sunday closing laws	House Interim Committee	H.S.R. 389
(19) Professional and business examining and licensing boards in general	House Interim Committee	H.S.R. 163 (3rd C.S.)
<i>Insurance and Securities</i>		
(20) Automobile insurance	House Interim Committee	H.S.R. 8 (1st C.S.)
(21) Insurance policies and practices concerning health, accident, and hospitalization insurance claims	Texas Legislative Council	H.C.R. 110
(22) Certain matters pertaining to State Insurance Commission	Senate Interim Committee	S.R. 34 (1st C.S.)
(23) Automobile insurance	Insurance Commission	S.R. 64 (3rd C.S.)
<i>Education</i>		
(24) Space utilization by institutions of higher education	Texas Legislative Council, Texas Commission on Higher Education, and Institutions of higher education	S.C.R. 35
(25) Teacher certification and methods courses require din relation to subject matter courses	Texas Legislative Council	H.S.R. 717
(26) Awarding of higher level high school diploma, or "academic diploma"	Texas Education Agency	H.C.R. 72

APPENDIX B—Continued
INTERIM STUDIES AUTHORIZED BY THE FIFTY-SEVENTH TEXAS LEGISLATURE

Subject of Study	Study Group	Statutory Reference
(27) Practicability of using paperback textbooks	Texas Education Agency	H.C.R. 80
(28) Elevating Laredo Junior College to fully state-supported status	Texas Commission on Higher Education	S.C.R. 18
(29) Needs in higher education	Texas Legislative Council and Texas Commission on Higher Education	H.C.R. 98
(30) Education courses in state colleges	Senate Interim Committee	S.R. 451
(31) Content of American history textbooks	House Interim Committee	H.S.R. 736
(32) Feasibility of six-day week for state colleges	Texas Commission on Higher Education	S.R. 405
(33) Trade and correspondence schools	Texas Education Agency	H.S.R. 665
(34) Equity of county economic index with regard to contributions by school districts to public education in Texas	House Interim Committee	H.S.R. 587
(35) Need for history teaching	Texas Legislature Council	H.S.R. 736
<i>Courts, Court Procedure, and Criminal Law</i>		
(36) Divorce laws	House Interim Committee	H.S.R. 204
(37) Judiciary system of Texas	Texas Legislative Council	H.C.R. 96
(38) District court dockets	Texas Judicial Council	H.S.R. 62
<i>Elections</i>		
(39) Election Code*	Texas Legislative Council, Joint Interim Committee, and several state agencies	S.C.R. 30

APPENDIX B—Continued
INTERIM STUDIES AUTHORIZED BY THE FIFTY-SEVENTH TEXAS LEGISLATURE

	Subject of Study	Study Group	Statutory Reference
	<i>Water</i>		
	(40) Salt water pollution	Joint Interim Committee	H.S.R. 126 (3rd C.S.)
	(41) Preparation of a Model Act for Water Control and Improvement Districts	Texas Legislative Council	S.R. 778 (3rd C.S.)
	<i>Health and Welfare</i>		
	(42) Present facilities and programs and future needs of state hospitals and special schools*	Texas Legislative Council	H.S.R. 621
[69]	(43) Problem of mentally ill children in Texas*	Texas Legislative Council	H.S.R. 87 (1st C.S.)
	(44) Problems of the aged	Joint Interim Committee	S.C.R. 2
	(45) Coordination of state health and welfare services*	Texas Legislative Council	S.C.R. 33
	(46) The mentally ill	Texas Legislative Council	H.S.R. 202 (3rd C.S.)
	<i>Highways and Motor Vehicles</i>		
	(47) Copano Bay Causeway	Game and Fish Commission	S.R. 58 (1st C.S.)
	(48) Mass transportation in major metropolitan areas of Texas	Texas Legislative Council	H.S.R. 67 (1st C.S.)
	(49) Texas Turnpike Authority	Joint Interim Committee	S.C.R. 80
	(50) Placedo Crossing	Department of Public Safety and Texas Highway Department	H.S.R. 65 (3rd C.S.)
	<i>The Legislature</i>		
	(51) Space in the capitol	Joint Interim Committee	H.C.R. 62
	(52) Standing committees of House	House Interim Committee	H.S.R. 703
	(53) Conservation of Senate paintings and portraits	Senate Interim Committee	S.R. 109
	(54) Paintings in the House	House Interim Committee	H.S.R. 45 (3rd C.S.)

APPENDIX B—Continued
INTERIM STUDIES AUTHORIZED BY THE FIFTY-SEVENTH TEXAS LEGISLATURE

Subject of Study	Study Group	Statutory Reference
<i>Investigation</i>		
(55) Matters to be determined by the committee of the Senate	Senate General Investigating Committee	S.C.R. 31
(56) Matters to be determined by the committee of the Senate	House General Investigating Committee	H.S.R. 50
<i>Other Studies</i>		
(57) Creation of special districts	House Interim Committee	H.S.R. 24 (3rd C.S.)
(59) Screwworm eradication in Texas	Joint Interim Committee	H.C.R. 8 (3rd C.S.)
(59) Wildlife regulation in Texas and codification of laws pertaining thereto*	Texas Legislative Council	H.S.R. 658
(60) Game and fish in Texas	House Interim Committee	H.S.R. 375
(61) Migrant labor	House Interim Committee	H.S.R. 164 (3rd C.S.)
(62) Problems of towns on the Texas-Mexico border	Joint Interim Committee	S.C.R. 16 (3rd C.S.)
(63) Pesticides and insecticides	Texas A. and M. College	H.S.R. 199 (1st C.S.)
(64) Laws based on population classification*	Texas Legislative Council	H.S.R. 666
(65) Cattle branding and registration of cattle brands	Texas Legislative Council	H.S.R. 89 (1st C.S.)
(66) Appointment of poet laureate of Texas	Joint Interim Committee	H.C.R. 12
(67) Possibility of making Fort McKavett a state park	State Parks Board and Historical Survey Commission	H.C.R. 18 (3rd C.S.)

* The Legislative Council does not have the resources to undertake all of the studies requested of it. The asterisk indicates those studies which are actually underway at the present time.